

# NOVATO SANITARY DISTRICT

Meeting Date: June 22, 2015

**The Board of Directors of Novato Sanitary District will hold a closed session at 5:00pm, followed by a regular meeting at 6:00 p.m., Monday, June 22, 2015, at the District Offices, 500 Davidson Street, Novato.**

*Materials related to items on this agenda are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: [www.novatosan.com](http://www.novatosan.com).*

**5:00 PM CLOSED SESSION: Public Employee Evaluation: Manager- Engineer**  
(Government Code Section 54957).

## **AGENDA**

1. **PLEDGE OF ALLEGIANCE:**
2. **AGENDA APPROVAL:**
3. **PUBLIC COMMENT (Please observe a three-minute time limit):**

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Board at this time as a result of any public comments made.

4. **ANNOUNCEMENT / REPORT FROM CLOSED SESSION:**
5. **REVIEW OF MINUTES:**

a. Consider approval of minutes of the June 8, 2015 meeting.

6. **CONSENT CALENDAR:**

The Manager-Engineer has reviewed the following items. To his knowledge, there is no opposition to the action. The items can be acted on in one consolidated motion as recommended or may be removed from the Consent Calendar and separately considered at the request of any person.

- a. Approve regular disbursements.
- b. Approve payroll and payroll related disbursements.
- c. Adopt Resolution No. 3086: A Resolution Authorizing Acceptance of Easement from the Marin County Flood Control and Water Conservation District, Walnut Meadow Subdivision.
- d. Approve acceptance of sewer main extension infrastructure for the Walnut Meadow Subdivision project.
- e. Adopt Policy 3512 – Annual Budget (Non-Personnel Related Changes to Budget Amounts).

**7. COMMITTEE REPORTS:**

- a. Wastewater Operations: Receive report, and accept recommendation to adopt preliminary Operating Budget for FY15-17.
- b. Strategic Planning and New Facilities: Receive report, and accept recommendation to adopt preliminary Capital Improvements Program (CIP) Budget for FY15-17.

**8. ADMINISTRATION**

- a. Review cost-of-living increase, represented employee group, effective July 1, 2015 – informational item.
- b. Approve cost-of-living increase, management and confidential employee group, effective July 1, 2015.
- c. Approve cost-of-living increase, Manager-Engineer, effective July 1, 2015.
- d. Adopt Resolution No. 3087 to CalPERS for paying and reporting the value of Employer Paid Member Contributions and for Normal Member Contributions.

**9. ANNUAL BUDGET:**

- a. Adopt Resolution No. 3088: A Resolution Waiving Increase In Sewer Connection Charges For Fiscal Year FY2015-16.
- b. Approve and adopt the Preliminary Budget for FY15-16 and FY16-17.

**10. BOARD OF DIRECTORS:**

- a. Presidential appointment of Committee members for FY15-16.
- b. California Special Districts Association (CSDA) 2015 Board elections.

**11. BOARD MEMBER REPORTS AND REQUESTS:**

- a. North Bay Water Reuse Authority (NBWRA) Board meeting.

**12. INFORMATIONAL ITEMS/NEWS ARTICLES**

(These items are for information only, no action will be taken on these items).

- a. Pacific Sun article: "Marin asked to join wider community in conserving water"

**13. MANAGER'S ANNOUNCEMENTS:**

**14. ADJOURN:**

Next resolution no. 3089.

**Next regular meeting date: Monday, July 13, 2015, 6:00 PM at the Novato Sanitary District office, 500 Davidson Street, Novato, CA.**

***In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.***

## NOVATO SANITARY DISTRICT

### Board Meeting Minutes

Meeting Date: June 8, 2015

A regular meeting of the Board of Directors of the Novato Sanitary District was held at 6:00 p.m., Monday, June 8, 2015, at the District offices, 500 Davidson Street, Novato.

BOARD MEMBERS PRESENT: President Jean Mariani, Directors Gary Butler, William C. Long, Brant Miller and Jerry Peters.

STAFF PRESENT: Manager-Engineer-Secretary Sandeep Karkal, and Administrative Secretary Julie Swoboda.

ALSO PRESENT: Laura Creamer, Finance Officer, Novato Sanitary District  
Dee Johnson, Household Hazardous Waste Program Coordinator  
John O'Hare, Pretreatment Programs Manager, Veolia  
Dane Wadle, California Special Districts Association (CSDA) Marin County Coordinator

PLEDGE OF ALLEGIANCE:

AGENDA APPROVAL: The agenda was approved as written.

PUBLIC COMMENT:

Dane Wadle, CSDA, introduced himself to the Board and stated that he has recently taken the CSDA position of Public Affairs Field Coordinator for Marin County.

REVIEW OF MINUTES:

- Consider approval of minutes of the May 26, 2015 meeting.

*On motion of Director Peters, seconded by Director Miller, and carried unanimously, the May 26, 2015 Board meeting minutes were approved as presented.*

CONSENT CALENDAR:

President Mariani called for a motion on the Consent Calendar items as follows:

- a. Approval of regular disbursements in the amount of \$220,475.55, capital project disbursements in the amount of \$111,873.67, and Board member disbursements in the amount of \$3,312.63.
- b. Approved Regular Board meeting schedule as follows: July 13<sup>th</sup>, August 10<sup>th</sup>, and August 24<sup>th</sup>. The meeting of July 27<sup>th</sup> was cancelled.

*On motion of Director Peters, seconded by Director Long and carried unanimously, the above listed Consent Calendar items were approved.*

SOLID WASTE COMMITTEE:

- Receive report, and accept recommendation to adopt preliminary Household Hazardous Waste (HHW) operating budget for FY 15-17. The Manager-Engineer stated that the Solid Waste Committee met on June 1<sup>st</sup> with Members Mariani and Butler in attendance. He noted that presentations were made by Dee Johnson, Household Hazardous Waste Program Coordinator, and Steve McCaffrey of Novato Disposal, the District's solid waste franchisee. He stated that the Household Hazardous Waste Program Coordinator was present and would review the committee meeting for the Board.

The Household Hazardous Waste Program Coordinator outlined details of the Zero Waste and Household Hazardous Waste Programs. She stated that the twice monthly household hazardous waste events in 2014 showed increased participation by 10-15% over the previous year. She outlined the details of the FY 15-17 HHW operating budget. Discussion followed.

The Manager-Engineer stated that the preliminary FY 15-17 HHW operating budget was reviewed with the Solid Waste Committee. He noted that the Committee unanimously agreed to recommend the budget for adoption by the full Board of Directors.

*On motion of Director Miller, seconded by Director Peters and carried unanimously, the Board adopted the preliminary Household Hazardous Waste (HHW) operating budget for FY 15-17 as presented.*

- Approve contract with DLJ Associates to provide AB939, household hazardous waste (HHW), and related services for Fiscal Year 2015-16 in the amount of \$101,464, and authorize the Manager-Engineer to execute it. The Manager-Engineer stated that Dee Johnson of DLJ Associations has managed the District's Household Hazardous Waste and AB939 services for many years. He stated that for the past four years she has also managed the Zero Waste outreach and AB341 solid waste requirements. He stated that staff recommends approving a contract with Ms. Johnson to continue her current services for FY 15-16.

*On motion of Director Peters, seconded by Director Long and carried unanimously, the Board approved a contract with DLJ Associates to provide AB939, household hazardous waste (HHW), and related services for Fiscal Year 2015-16 in the amount of \$101,464, and authorized the Manager-Engineer to execute it.*

Dee Johnson left the meeting at 6:25 p.m.  
Dane Wadley left the meeting at 6:26 p.m.

## ANNUAL BUDGET:

- Presentation of Preliminary Budget for Fiscal Years (FY) 2015-16 and FY 16-17. The Manager-Engineer stated that the District's Preliminary Budget for fiscal years 2015-17 was included in the Board package for Board review. He noted that the preliminary budget will also be presented at the June 22<sup>nd</sup> Board meeting for approval and adoption, and that the format is similar to previous years.

Discussion followed among the Directors, the Manager-Engineer, and the Finance Officer. Director Long noted that the projected property tax revenue for FY 15-16 and for FY 16-17 did not show an increase on page 15 of the budget. The Finance Officer noted that this was in error and stated that this error would be corrected, with a projected increase of two (2) per cent for property tax revenues for FY16-17. President Mariani requested that the word 'preliminary' be replaced with the word 'proposed' for FY15-16 revenue and expenditure items. The Finance Officer stated that this change would be made. Directors Butler and Long suggested that a summary of significant budget questions brought forth by any Director be shared with the full Board, and the Manager-Engineer requested that Board members submit any questions to him so that staff can respond appropriately.

- Set the date of July 13, 2015 for the public hearing on individual sewer service charges and adoption of a resolution confirming report on sewer service charges.

*On motion of Director Long, seconded by Director Peters and carried unanimously, the Board set the date of July 13, 2015 for the public hearing on individual sewer service charges and for adoption of a resolution confirming report on sewer service charges.*

## BOARD OF DIRECTORS:

- Ratify appointment of Secretary/Treasurer and Secretary Pro Tem for FY 15-16, and designate and authorize check signers for FY 15-16. The Manager-Engineer stated that the Board appoints the Secretary-Treasurer and the Secretary Pro-Tem annually. He stated that currently, the District Manager-Engineer serves as the Secretary-Treasurer and the Administrative Secretary serves as the Secretary Pro-Tem. He requested that the Board retain these current designations.

The Manager-Engineer requested that the Board President designate and authorize District check signers for FY 15-16. He stated that the current authorized check signers are President Mariani, Director Peters and Director Miller, and himself.

*On motion of Director Peters, seconded by Director Long and carried unanimously, the Board approved the following appointments:*

- *Secretary-Treasurer: District Manager-Engineer Sandeep Karkal; and*
- *Secretary-Treasurer Pro-Tem: Administrative Secretary Julie Swoboda.*

*On motion of Director Peters, seconded by Director Long and carried unanimously, the Board authorized the following check signers:*

- *President Mariani, Director Peters and Director Miller, Manager-Engineer Sandeep Karkal.*

- Presidential appointment of Committee members for FY 15-16. The Manager-Engineer stated that the President customarily appoints committee members at the first Board meeting in June. President Mariani requested the Board members notify her of their preferences and stated that she will make committee appointments at the June 22<sup>nd</sup> Board meeting.

#### STAFF REPORTS:

- Comprehensive Annual Financial Report (CAFR) Award. The Manager-Engineer stated that the District had submitted its Comprehensive Annual Financial Report (CAFR) for Fiscal Year ended June 30, 2014 to the Government Finance Officers Association (GFOA) for review against the qualification requirements for a Certificate of Achievement for Excellence in Financial Reporting. He stated that by letter dated May 26, 2015, GFOA has announced that the District was awarded the Certificate. He stated that Finance Officer Laura Creamer was recognized as the individual primarily responsible for preparing the award-winning report and that an Award of Financial Reporting Achievement (AFRA) had been presented to her by GFOA. The Manager-Engineer stated that a press release will be prepared announcing the award and will be posted on the District webpage.

The Board expressed their appreciation to the Finance Officer and thanked her for her dedication and work. President Mariani stated that the District is fortunate to have a Certified Public Accountant (CPA) with her level of experience as the Finance Officer.

#### BOARD MEMBER REPORTS AND REQUESTS:

- North Bay Watershed Association (NBWA) June meeting. The Manager-Engineer stated that NBWA delegate, Director Miller, was unable to attend the meeting and that he attended as the alternate. He provided an overview of the speakers (Bruce Wolfe of the San Francisco Regional Water Board and Jeff Melby of the State Coastal Conservancy), and their presentations. He noted that Mr. Melby's PowerPoint presentation from the meeting would be available at the NBWA website.

#### INFORMATIONAL ITEMS/NEWS ARTICLES:

- University of North Carolina (Chapel Hill) Public Finance Center blog article: "\$Snapshot: Federal Funding Trends for Water and Wastewater Utilities (1956-2014). The Manager-Engineer gave an overview of the article.

- Thank you note for District participation in Novato's "Clean and Green Day". The Manager-Engineer noted that Ms. Susan Stompe made a presentation at a previous Board meeting and that the District had voted to support Novato Clean and Green Day which took place on April 25<sup>th</sup>.

**MANAGER'S ANNOUNCEMENTS:**

A Wastewater Operations Committee meeting will be held on Monday, June 15<sup>th</sup> at 2:00 p.m. at the District Office.

The next Regular Board Meeting will be held on Monday, June 22<sup>nd</sup> at 6:00 p.m. at the District Office. Staff will present the preliminary budget.

**ADJOURNMENT:** There being no further business to come before the Board, President Mariani adjourned the meeting at 7:16 p.m.

Respectfully submitted,

\_\_\_\_\_  
Sandeep Karkal  
Secretary

Julie Swoboda, Recording

# Novato Sanitary District Operating Check Register

June 22, 2015

**Item 6.a.  
(page 1)**

Date	Num	Name	Credit
<b>Jun 22, 15</b>			
06/22/2015	58301	Pacific, Gas & Electric	67,228.29
06/22/2015	58306	Shape Incorporated	43,035.72
06/22/2015	58310	Veolia Water North Ame...	26,365.58
06/22/2015	58289	HACH/American Sigma ...	7,435.68
06/22/2015	58304	Rauch Communication ...	4,748.66
06/22/2015	58297	North Marin Water District	3,559.22
06/22/2015	58278	American Express-21007	2,669.33
06/22/2015	58298	North Marin Water Distri...	2,255.00
06/22/2015	58276	Able Tire & Brake Inc.	1,833.84
06/22/2015	58299	North Marin Water Distri...	1,697.25
06/22/2015	58295	MME	1,513.72
06/22/2015	58279	Arntz Builders, Inc.	1,376.00
06/22/2015	58291	IEDA, INC	1,072.00
06/22/2015	58287	Cintas Corporation	1,043.21
06/22/2015	58293	Jan-Pro Cleaning Syste...	1,005.00
06/22/2015	58283	Cagwin & Dorward Inc.	940.00
06/22/2015	58286	CED Santa Rosa, Inc	758.00
06/22/2015	58300	Novato Radiator and Air...	755.45
06/22/2015	58294	Johnson Controls, Inc.	735.00
06/22/2015	58307	Steven Engineering Inc.	703.35
06/22/2015	58292	James Wilbee Compan...	702.90
06/22/2015	58309	U.S. Bank Card (3)Craig	643.87
06/22/2015	58311	Verizon EQ	591.70
06/22/2015	58277	Airgas USA, LLC	402.59
06/22/2015	58281	BoundTree Medical, LLC	313.49
06/22/2015	58305	Ricoh USA, Inc.	297.22
06/22/2015	58285	CDW Government, Inc.	249.00
06/22/2015	58284	Cantarutti Electric, Inc	240.00
06/22/2015	58302	Peterson Trucks	205.24
06/22/2015	58303	Pini Hardware	190.62
06/22/2015	58312	Verizon Wireless-	126.67
06/22/2015	58280	B.W.S. Distributors, Inc.	119.90
06/22/2015	58275	3T Equipment Company...	105.00
06/22/2015	58290	Honey Bucket	88.21
06/22/2015	58282	Buck's Saw Service, Inc.	39.19
06/22/2015	58288	First Alarm	38.74
06/22/2015	58296	North Marin Auto Parts	35.15
06/22/2015	58308	U.S. Bank (Sandeep)	32.00
<b>Jun 22, 15</b>			<b><u>175,151.79</u></b>

**Novato Sanitary District  
Capital Projects Check Register**

June 22, 2015

**Item 6.a.  
(Page 2)**

Date	Num	Name	Credit
<b>Jun 22, 15</b>			
06/22/2015	2885	National Coating & Lining Co.	70,581.93
06/22/2015	2886	RMC Water & Environment, Inc.	6,373.51
06/22/2015	2882	DB Gaya Consulting LLC	4,430.00
06/22/2015	2887	SC Barns	1,815.04
06/22/2015	2881	Custom Tractor Service	1,780.00
06/22/2015	2883	Lateral-Marshall	1,500.00
06/22/2015	2884	Lateral-Tsudama	1,500.00
06/22/2015	2880	Covello Group, The	204.00
<b>Jun 22, 15</b>			<b><u>88,184.48</u></b>

**Novato Sanitary District**  
**Payroll and Payroll Related Check Register**  
**June - 2015**

**Item 6.b.**

<u>Date</u>	<u>Description</u>	<u>Amount</u>
06/30/2015	June - Payroll	94,840.84
06/19/2015	June - Retirees Health Benefits	12,930.70
06/19/2015	CALPers Health	27,349.03
06/19/2015	CALPERS Retirement	6,045.36
06/30/2015	United States Treasury	20,104.55
06/19/2015	CalPers Supplemental Income Plan	2,500.00
06/30/2015	EDD	5,586.22
06/19/2015	Lincoln Financial Group	7,390.00
06/19/2015	Lincoln Financial Group-401a Plan	2,399.70
06/19/2015	Lincoln Financial Group-401a Plan	3,158.43
06/19/2015	CALPERS Retirement	16,930.10
06/19/2015	Local Union 315	500.00
06/19/2015	Delta Dental	2,563.24
06/19/2015	Operating Engineers Trust	293.29
		<b><u>202,591.46</u></b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Consent Calendar:</b> <b>Walnut Meadow Subdivision –</b> <b>Acceptance of SME Grant of</b> <b>Easement</b>	<b>MEETING DATE: June 22, 2015</b>  <b>AGENDA ITEM NO.: 6.c.</b>
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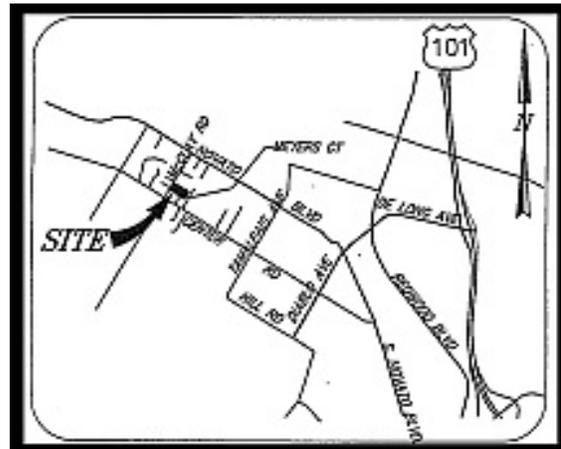
**RECOMMENDED ACTION:** Adopt Resolution No. 3086: A Resolution Authorizing Acceptance of Easement from the Marin County Flood Control and Water Conservation District, Walnut Meadow Subdivision.

**SUMMARY AND DISCUSSION:**

This agenda item is for acceptance of a Sanitary Sewer Easement. The Walnut Meadow Subdivision Sewer Main Extension (SME) constructed a new District siphon to replace the previous siphon that was located along the project easterly boundary. Leaving the District's 12- inch sewer main in its old alignment would place it in five private backyards, making District access for maintenance difficult. The grant of a sanitary sewer easement is from the Marin County Flood Control and Water Conservation District over their property at Warner Creek.

The easement being granted to the Novato Sanitary District is a non-exclusive utility easement which is shared with North Marin Water District. The easement is required to allow crossing of Warner Creek with an inverted siphon. The new relocated District siphon is located approximately 75 feet upstream from the old siphon location and has better accessibility for maintenance equipment.

It is intended that upon acceptance of the new sanitary sewer easement, the District will abandon the old sanitary sewer easement along the project's Easterly boundary and across the Marin County Flood Control parcel.



**BUDGET INFORMATION:** Upon acceptance, this project will not result in a change in the District's net assets due to the offsetting nature of the transaction.

<b>DEPT. MGR.:</b> ssk	<b>MANAGER-ENGINEER:</b> SSK
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RESOLUTION NO. 3086

A RESOLUTION AUTHORIZING ACCEPTANCE OF EASEMENT  
FROM MARIN COUNTY FLOOD CONTROL AND WATER CONSERVATION DISTRICT

WALNUT MEADOW SUBDIVISION

NOVATO SANITARY DISTRICT

**WHEREAS**, a permanent easement is needed for the purpose of constructing, maintaining, servicing and/or replacing sanitary sewer facilities for the parcel listed below;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Novato Sanitary District that the District shall accept the easement offered to it by the owners of the parcel(s) hereinafter listed:

Assessor's Parcel No.

Property Owner

Ptn. of APN 140-091-84

Marin County Flood Control and Water  
Conservation District

\* \* \* \* \*

I hereby certify that the foregoing resolution was duly and regularly passed and adopted by the Board of Directors of Novato Sanitary District, Marin County, California, at a meeting thereof held on the 22nd day of June, 2015, by the following vote:

AYES, and in favor thereof, Members:

NOES, Members:

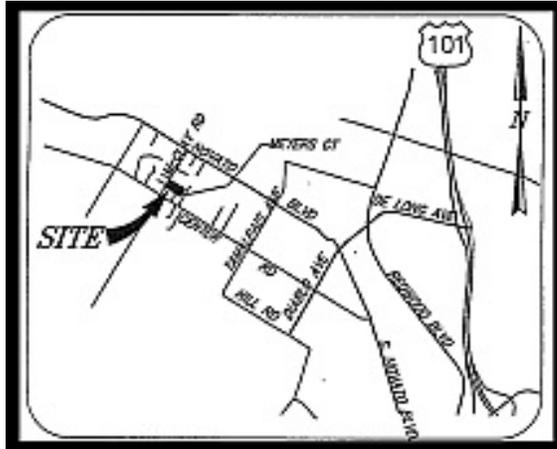
ABSENT, Members:

\_\_\_\_\_  
President, Board of Directors  
Novato Sanitary District

ATTEST:

\_\_\_\_\_  
Secretary

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Consent Calendar:</b> <b>Walnut Meadow Subdivision –</b> <b>Acceptance of Sewer Main</b> <b>Extension (SME).</b>	<b>MEETING DATE: June 22, 2015</b>  <b>AGENDA ITEM NO.: 6.d.</b>
<b>RECOMMENDED ACTION:</b> Approve Acceptance of Sewer Main Extension infrastructure for the Walnut Meadow Subdivision project.	
<b>SUMMARY AND DISCUSSION:</b>  <p>This agenda item is for acceptance of the Walnut Meadow Subdivision sewer main improvements.</p> <p>The project is located in the 800 block of McClay Road. The Walnut Meadow SME project plans were approved at the District Board Meeting on May 27<sup>th</sup>, 2014. The project has relocated the District's 12" VCP trunk sewer from the rear yards of the project into the new street right of way of Rose Stone Way. The project has also relocated the District's creek crossing siphon to a more accessible location, approximately 75' upstream within the Warner Creek County Flood Control District parcel.</p> <p>The items constructed for the sewer main extension are as follows:</p> <p>580 L.F. of 4" PVC Lateral Sewer              8 EA. Standard Manholes              310 L.F. of 8" PVC,              155 L.F. of 10" PVC              580 L.F. of 12" PVC</p> <p>The District's assets that were abandoned for the project's sewer main extension are as follows:</p> <p>5 EA. Standard Manholes              422 L.F. of 12" VCP sewer main              50 L.F. of 12" PVC</p>	
	
<b>BUDGET INFORMATION:</b> Upon acceptance, this project will increase the District's net assets by \$250,700.00	
<b>DEPT. MGR.:</b> ssk	<b>MANAGER-ENGINEER:</b> SSK

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE: Consent Calendar: Policy 3512 – Annual Budget (Non-Personnel Related Changes to Budget Amounts).**

**MEETING DATE: June 22, 2015**

**AGENDA ITEM NO.: 6.e.**

**RECOMMENDED ACTION:** Approve and Adopt Policy 3512 – Annual Budget (Non-Personnel Related Changes to Budget Amounts).

## **SUMMARY AND DISCUSSION:**

At its May 27, 2014 meeting, the Board approved a proposed modification to the budget amendment process, and directed staff to develop a new policy for Board adoption. A copy of the approved Board agenda item summary is attached.

At this time staff has developed a draft of the policy titled “Policy 3512 – Annual Budget (Non-Personnel Related Changes to Budget Amounts)”, for the board’s review and approval.

It is recommended that the Board approve and adopt the proposed Policy 3512 – Annual Budget (Non-Personnel Related Changes to Budget Amounts).

**DEPT.MGR.:** lmc, ssk

**MANAGER-ENGINEER:** SSK

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# Novato Sanitary District

## POLICY HANDBOOK

**POLICY TITLE:** Annual Budget – Non-Personnel Related Changes to Budget Amounts.  
**POLICY NUMBER:** 3512

**3512.1** The purpose of this policy is to provide an administrative mechanism to streamline and cost-effectively address changes to non-personnel related budget amounts within individual Revenue and Cost Centers of the District's Annual Budget. To this purpose, this policy would allow non-personnel related budgeted amounts in the District's Annual Budget to be amended or modified by the Manager-Engineer or his/her designee, based upon the below understandings.

**3512.2** The District's Annual Budget is composed of the following funds: Operating and Capital Improvement. Each fund is broken into Revenue or Cost Centers. Each Revenue or Cost Center is further broken into individual Accounts.

**3512.3** This policy mandates that as long as overall non-personnel related revenues or costs within a Revenue or Cost Center of the Operating and Capital Budgets are within the budgeted amount of that Revenue or Cost Center, no formal budget change or amendment will be necessary. However, an explanation (and justification) of changed or amended amount(s) will be provided to the Board as part of regular quarterly revenue and expenditure reports or quarterly financial reports.

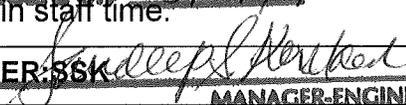
**3512.4** This policy also mandates that if there is an unexpected difference (over or under) in any non-personnel related Account (line item) that will create a significant difference for the Revenue or Cost Center that it resides in for the remainder of the fiscal year, a budget amendment will be prepared for Board approval for both the individual Account as well as for its Revenue or Cost Center.

**3512.5** Further, this policy mandates that at the end of the fiscal year and as part of the following fiscal year budget process, the District will true up the balances for non-personnel related costs in each Revenue or Cost Center of the Operating and Capital Budgets by showing in the new budget document the actual amounts received or spent within each individual Account and each Revenue or Cost Center.

**3512.6** Finally, the policy mandates that the Manager-Engineer is authorized by the Board of Directors to interpret and implement this policy, and to cause such non-personnel changes to budgeted amounts to be effectuated consistent with this policy.

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## NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Administration: Budget Amendment Process – proposed modification</b>	<b>MEETING DATE: May 27, 2014</b>  <b>AGENDA ITEM NO.: 7.a.</b>
<b>RECOMMENDED ACTION:</b> Approve proposed modification to budget amendment process, and direct staff to develop a new policy for Board adoption.	
<b>SUMMARY AND DISCUSSION:</b>  <p>While reviewing the Quarterly Revenue and Expenditure Report for the period ended March 31, 2014, staff noted many areas where an individual line item (account) within a cost center may not be within its budget, but the overall cost center is well within its budget. For example, in the Operating Budget cost center of "Treatment Facilities – Contract Operations", Account No. 61000-4 - Water/Permits/Telephone, is significantly over budget at 109.1% or \$5,886 based on line item analysis; however, the overall cost center is well within its budget for this time of year at 71.3% or \$774,254 under budget.</p> <p>The District's current practice is to bring forward for amendment each individual line item (account) if its budget amount is exceeded (typically in the fourth quarter of the fiscal year), even though the overall cost center may be well within its budget. Then, upon approval, staff modifies the budgeted line item amount for that account within the overall cost center and thence the budget. The process is cumbersome, creates different versions of the budget document that are then bothersome to track, and does not provide any value to the budgeting and audit processes.</p> <p>Therefore, staff would like to propose a modification to streamline the District's current budget amendment process. Staff proposes that as long as overall non-personnel related costs within a cost center of the Operating and Capital Budgets are within the budgeted amount of that cost center, that no budget amendment will be necessary. However, an explanation (and justification) of overage amount(s) will continue to be provided as part of the regular revenue and expenditure reports. In addition, if there is an unexpected overage in a single non-personnel related account (line item) that will create a significant overage for the cost center that it resides in for the remainder of the year, a budget amendment will be prepared for both the individual account as well as for its cost center.</p> <p>Finally, at the close of the fiscal year and as part of the following fiscal year budget process, the District will true up the balances for non-personnel related costs in each cost center of the Operating and Capital Budgets by showing in the new budget document the actual amounts spent within each individual account and each cost center.</p> <p>It is recommended that the Board approve the proposed modification and authorize staff to modify the budget amendment process such that formal amendments to the budget document are not required as long as the overall non-personnel expenses within a cost center of the Operating and Capital Budgets are within the budgeted amount for that cost center. Also, direct staff to develop a new policy based on this modification for Board adoption at a future Board meeting.</p>	
<b><u>NOVATO SANITARY DISTRICT</u></b>	
<b>ALTERNATIVES:</b> N/A.	
<b>BUDGET INFORMATION:</b> N/A – however, potential savings in staff time.	
<b>DEPT.MGR.:</b> LMC/SSK	<b>MANAGER-ENGINEER:</b> <u>SSK</u>  <b>MANAGER-ENGINEER</b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Receive Wastewater Operations Committee Meeting Report, May 2015</b>	<b>MEETING DATE: June 22, 2015</b>  <b>AGENDA ITEM NO.: 7.a.</b>
<b>RECOMMENDED ACTION: Receive report and accept recommendation to adopt preliminary Operating Budget for FY15-17.</b>	
<b>SUMMARY AND DISCUSSION:</b>  <p>The May 2015 reports for wastewater treatment operations, collection system operations, and reclamation facilities are attached.</p> <p><b>Wastewater Treatment Facility</b></p> <p>Novato Treatment Plant (NTP) water quality performance was excellent with all parameters well within effluent standards, and there were no NPDES violations. The Recycled Water Facility produced 16.22 MG of recycled water in May, but had six coliform excursions. Safety performance was excellent with another accident-free month for a total of 1,832 accident-free days for a 5-year no incident anniversary at the end of May. The Discharge Monitoring Report (DMR) and the Electronic Self-Monitoring Report (e-SMR) for March 2015 were submitted on May 28, 2015.</p> <p><b>Odor Control and Landscaping</b></p> <p>Operations staff continued to perform liquid phase sulfide sampling and analysis. The large odor control bed between primary clarifiers #1 &amp; #2 appears to be performing well. Also, operations staff continued to add sodium hypochlorite at the influent junction structure as needed. The redwood trees replanted to the northeast corner of the plant site in late February/early March, appear to be doing well. Staff continues to monitor landscaping in this area of the plant site.</p> <p><b>Collection System and Pump Stations</b></p> <p>Staff cleaned a total of 72,416 ft of sewer lines, televised 7,611 ft with the CCTV truck, and 1,842 ft with the Push Cam. CCTV production was low this month due to staff availability for this activity, and the need to prepare line segments for root treatment. Staff also conducted 246 lift station inspections. Staff completed maintenance inspections on five (5) air relief/vacuum (ARVs) valves.</p> <p><u>Safety:</u> No lost time accidents in May 2015 for a total of 1,538 accident-free days.</p> <p><u>Standard and Emergency Operating Procedures (SOPs &amp; EOPs):</u> No new core SOPs were generated however, staff recently completed a draft Core Competency Checklist for training purposes.</p> <p><u>Sanitary Sewer Overflows (SSOs):</u> There was one (1) small Category III SSO in May 2015.</p> <p><b>Reclamation Facility</b></p> <p>The rancher continued to harvest pasture grass this month. Repairs were made on the irrigation control system on Site 7. The leak on the Wildlife Pond Feed Line was located and repair parts were ordered and received; installation will occur in June. There were no sludge handling activities this month.</p> <p><b>Operating Budget</b></p> <p>Staff reviewed the preliminary FY15-17 Operating Budget with the Committee. The Committee unanimously agreed to recommend the preliminary FY15-17 Operating Budget for adoption by the full Board of Directors at the Board's June 22, 2015 meeting.</p>	
<b>DEPT.MGR.: JB (Veolia), SRK, TMO</b>	<b>MANAGER-ENGINEER: SSK</b>

**NOVATO SANITARY DISTRICT**

Meeting Date: June 15, 2015

**The Wastewater Operations Committee of the Novato Sanitary District will hold a meeting at 2:00 PM, Monday, June 15, 2015 at the District offices, 500 Davidson Street, Novato.**

**AGENDA**

**1. AGENDA APPROVAL:**

**2. PUBLIC COMMENT (PLEASE OBSERVE A THREE-MINUTE TIME LIMIT):**

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Committee at this time as a result of any public comments made.

**3. CONSIDER APPROVAL OF MINUTES OF THE MAY 18, 2015 MEETING:**

**4. WASTEWATER TREATMENT FACILITIES O&M REPORT FOR MAY 2015:**

- a. Treatment Plant Performance Report.
- b. Maintenance Report.
- c. Safety and training.
- d. Odor control and landscaping report.

**5. COLLECTION SYSTEM OPERATIONS AND MAINTENANCE REPORT FOR MAY 2015:**

- a. Collection System Maintenance.
- b. Pump Station Maintenance.
- c. Collection System Performance.
- d. Safety and Training.

**6. RECLAMATION FACILITY REPORT FOR MAY 2015:**

- a. Ranch Operations.
- b. Irrigation Parcels.
- c. Irrigation Pump Station.

**7. ANNUAL OPERATING BUDGET**

- a. Review FY15-17 proposed Preliminary Operating budget, and subject to minor changes and edits, recommend it for adoption by the Board of Directors.

**8. OTHER ITEMS:**

**9. ADJOURNMENT:**

***In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.***

***Materials that are public records and that relate to an open session agenda item will be made available for public inspection at the District office, 500 Davidson Street, Novato, during normal business hours.***

May 18, 2015

A regular meeting of the Wastewater Operations Committee of Novato Sanitary District was held at 2:00 p.m., Monday, May 18, 2015, at the District Office, 500 Davidson Street, Novato.

MEMBERS PRESENT: Committee Members Jerry Peters and Brant Miller.

STAFF PRESENT: Sandeep Karkal, Manager-Engineer  
Steve Krautheim, Field Services Manager  
John Bailey, Project Manager, Veolia  
Julie Swoboda, Administrative Secretary

STAFF ABSENT: Tim O'Connor, Collections System Superintendent

OTHERS PRESENT: Ed Dix, Veolia Water, Technical Support

AGENDA APPROVAL: Approved as presented.

PUBLIC COMMENT: None.

APPROVAL OF MEETING MINUTES FOR APRIL 21, 2015: The April 21, 2015 meeting minutes were approved as presented.

WASTEWATER TREATMENT FACILITIES OPERATIONS AND MAINTENANCE REPORT FOR APRIL 2015:

- Treatment Plant Performance Report, Maintenance Report and Safety & Training:  
Manager Engineer Sandeep Karkal introduced Veolia Project Manager John Bailey who provided an overview of treatment plant operations for the month of April. He discussed key operations and maintenance events at the Novato facility, the Ignacio Transfer Pump Station, the Recycled Water Plant, and the Sludge Lagoons. The Project Manager stated that there was 1.43 inches of rainfall in April and that the plant performed very well. He introduced Ed Dix, Veolia Water, and stated that Ed was at the treatment facility providing technical support.

The Project Manager stated that there were two excursions in coliform at the recycled water facility. He noted that the information provided on page one of his monthly report: 'Title 22 – Recycled Water Production and Quality' was inaccurate and that he would be providing a corrected page at the May 26<sup>th</sup> Board meeting.

The Project Manager discussed training events completed in April and stated that as of April 30<sup>th</sup>, Veolia employees have been accident free for a total of 1,792 days. He discussed the training Veolia employees participated in during April. He reviewed the operations and maintenance report and noted that 7.34 million gallons of recycled water were produced.

- Odor control and landscaping report: The Manager-Engineer discussed odor control and landscaping related activities in April. He stated that the liquid phase sulfide sampling and analysis continued as per recommendations by Dave McEwen of Brown and Caldwell (B&C). He stated that the Aqua-Fog system is being used on an as-needed basis to broadcast a

water based non-toxic odor neutralizer in the vicinity of the aeration basins. The Manager-Engineer noted that Operations staff continues to add sodium hypochlorite as an oxidizer on an as-needed basis to the influent flow, with staff monitoring performance.

The Manager-Engineer noted that as reported by Veolia, there was one complaint/contact received in April.

#### COLLECTION SYSTEMS OPERATION AND MAINTENANCE REPORT FOR APRIL 2015:

The Field Services Supervisor presented the Collection Systems Monthly Report for April 2015. He reported that the Collection Systems crew cleaned a total of 107,261 feet of sewer pipeline and that the department completed 551 maintenance work orders which were generated for April. He stated that the District's CCTV van (Closed Circuit TV) televised 1 line segment totaling 303 ft. and noted that no areas were identified as needing repairs or further evaluation. The Field Services Supervisor reported on the current Collection System projects. He stated that Collections staff attended Body Mechanics training in April and noted that as of April 30, 2015, the Collections Department and the District have worked accident free for a total of 1,507 days.

The Collections System Superintendent stated that there were zero sewer overflows in April. He stated that no Standard Operating Procedures (SOP's) were created in April as the Department completed a draft Core Competency Checklist which will be used to track training of Collections Department employees.

#### RECLAMATION FACILITY REPORT FOR APRIL 2015:

The Field Services Manager presented the Reclamation Facilities report for April. He stated that the rancher began cutting hay on April 16<sup>th</sup> and continued throughout the month. He stated that accumulated silt around the two drainage pump stations was removed. He discussed repairs and progress made for leak detection on the wildlife pond feed pipeline. He stated that there were no sludge handling activities in April.

#### OTHER ITEMS:

The Manager-Engineer discussed the District budget and noted that the Operations Budget will be presented at the next Committee meeting on June 15<sup>th</sup>.

ADJOURNMENT: There being no further business to come before the Committee, the meeting adjourned at 2:59 p.m.

Respectfully submitted,

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Sandeep Karkal  
Manager-Engineer

Julie Swoboda, Recording



June 11, 2015

Mr. Sandeep Karkal  
Manager - Engineer  
Novato Sanitary District  
500 Davidson Street  
Novato, CA 94545

**Subject: Veolia Water Operations Report – May 2015**

Dear Mr. Karkal:

I am pleased to provide the Monthly Operation report for May 2015.

As always, please give me a call at 707-208-4491 should you have any questions.

Best regards,

A handwritten signature in blue ink that reads "John Bailey". The signature is stylized and cursive.

John Bailey  
Project Manager, Veolia



**MONTHLY OPERATIONS REPORT  
May 2015**

Prepared for

**NOVATO SANITARY DISTRICT (NSD)  
WASTEWATER TREATMENT PLANT  
500 Davidson Street  
Novato, CA 94545**

Prepared by

**Veolia Water West Operating Services, Inc. (VWWOS)**

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## TREATMENT PLANT PERFORMANCE SUMMARY: May 2015:

Parameter	Value		Limit	
	Ave	Max	#1	#2
Flow, MGD (monthly ave/max)	3.68	4.27	N/A	N/A
Max Peak Hour, MGD – No Significant Rainfall	N/A	~ 8	N/A	N/A
<b>Influent</b>				
BOD <sub>5</sub> , lb/day (month ave/max)	8,948	11,780	N/A	N/A
TSS, lb/day (monthly ave/max)	9,254	13,437	N/A	N/A
<b>Effluent</b>				
BOD <sub>5</sub> , mg/L (monthly ave/weekly max)	10	12	15	30
TSS, mg/L (monthly ave/weekly max)	<6	8	10	20
BOD <sub>5</sub> - % Removal, Minimum	96	N/A	85	N/A
TSS - % Removal, Minimum	98	N/A	85	N/A
Ammonia, mg/L – (monthly ave/daily max)	0.46	0.46	6	21
pH, su (min / max)	6.8	7.1	6.5	8.5
Enterococcus, MPN/100 ml (30 day geo mean)	1.6	N/A	35	N/A
Fecal Coliform, MPN/100 ml (30 day median)	4.5	N/A	140	N/A
Fecal Coliform, MPN/100 ml (90 <sup>th</sup> percentile)	7.8	N/A	430	N/A
Total Coliform, MPN/100 ml (5 Sample Median/Max)	N/A	N/A	240	10,000
<b>Total Permit Exceedances (NPDES)</b>	0			

## Title 22 - Recycled Water Production and Quality

Description	Units	Value	Limit
Volume Produced	Million Gallons	16.224	N/A
Average Turbidity	NTU	1.2	2.0
Turbidity > 5 NTU (in 24 hour)	Minutes	0	72
Minimum CT (disinfection)	mg-min/L	>450	450 minimum
Minimum Dissolved Oxygen (DO)	mg/L	6.5	2 mg/L
Maximum Total Coliform	MPN/100 ml	350	240
Maximum Total Coliform 2 Samples 30 d	MPN/100 ml	See Table "A"	23
Total Coliform 7 Sample Median	MPN/100 ml	See Table "A"	2.2

Discussion of Violations / Excursions:

NPDES – None

Recycled Water – See "Table A – Total Coliform Excursions" in the Section titled "Recycled Water Compliance Summary Report"

Total Rainfall. – 0.01 inches, May 15, 2015.

**SAFETY AND TRAINING:**

- Monthly plant safety inspections for Novato WWTP and Ignacio Transfer Pump Station completed
- Five Minute Tailgate training is held daily with all staff.
- No safety incidents for the month of May.
- Celebrating 5 year no incident anniversary
- Accident Free: 6/1/10 – 5/31/15: 1,832 days
- Monthly Safety Topics and Training:  
NFWA 70E – Electrical Training Webinar  
Overexertion Injuries: Sprains and Strains

**OPERATIONS & MAINTENANCE STATUS / REVIEW:****Key events for the period:****Novato**

- Routine rounds, readings and maintenance
- Annual Infrared Testing
- Annual Crane Certification
- Annual Flow Meter Calibration
- Annual Fire Extinguisher Recharge
- Replace Water Pump in Operations Truck
- Replace Fuse on Dry Weather Pump #3
- Placed Primary Clarifier #1 back in service

**Equipment Out of Service – Due to Planned Servicing, Maintenance, or Replacement**

- Aeration Basin #1 & #2 (not needed at current flows)
- Secondary Clarifier #2 (not needed at current flows)
- Primary Clarifier #2 (District Coating Project)

**Ignacio Transfer Pump Station**

- Routine rounds, readings and maintenance
- Annual Infrared Testing
- Annual Flow Meter Calibration
- Annual Fire Extinguisher Recharge

**Equipment Out of Service – Due to Planned Servicing, Maintenance, or Replacement**

- None

**Recycled Water Plant (RWP)**

- Seven total coliform excursions
- Performed plant rounds and maintenance

**Equipment Out of Service – Due to Planned Servicing, Maintenance, or Replacement**

- None

**Sludge Lagoons**

- Performed routine rounds and inspection

**LABORATORY ACTIVITIES SUMMARY:****Irrigation Wetwell Sampling**

Sampling began in April for the irrigation wetwell as initial irrigation for the reclamation season commenced in April. Monthly sampling of the irrigation wetwell will continue as long as irrigation is occurring. The data collected will be compiled and reported in the 2015 triennial Irrigated Pasture Report.

**Wildlife Pond and Reclamation Activities**

Samples and weekly/monthly observations at the Wildlife pond were taken according to the WDR (Order No. 92-065). See Wildlife Pond monitoring photos.

**Semi-Annual Sampling**

Semi-Annual sampling occurred in May for PCBs (as aroclors), Dioxin, Metals, Phenols, Volatile and Semivolatile Organics, Organophosphorous and Chlorinated Pesticides. The influent and effluent lab results for this sampling event are included in the electronic data or as attachments.

**Pretreatment Activities**

Staff did a walk-through tour of the BioMarin POC (Point of Compliance) sampling locations on May 4<sup>th</sup> with Bob Adamson and BioMarin personnel in preparation for sampling later in the month. See attached photos.

Optical Metals was also visited and sampled in May. Bob Adamson, Kurt Hawkyard and Liz Falejczyk all participated in the inspection and sampling event. See attached photos.

**ADMINISTRATION:**

- April Electronic Self Monitoring Report (SMR) submitted on May 28, 2015
- April Electronic Discharge Monitoring Report (DMR) submitted on May 28, 2015

**ODORS:**

- Jerome Meter (H<sub>2</sub>S) readings performed in neighborhood and within treatment plant.

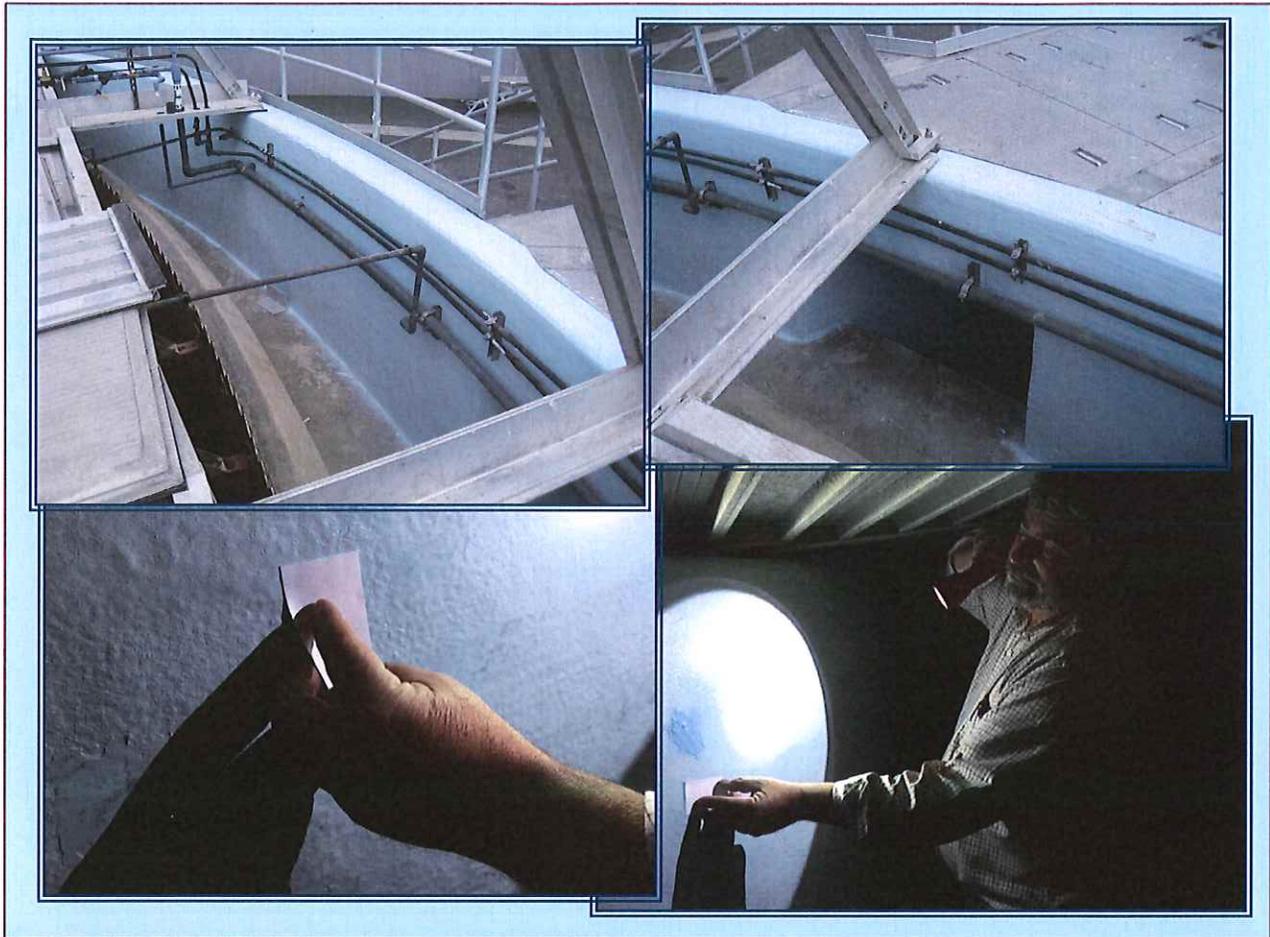
**MISCELLANEOUS**

- Process Control Management Plan (PCMP) meetings held weekly.
- Recruitment open for Operator III.

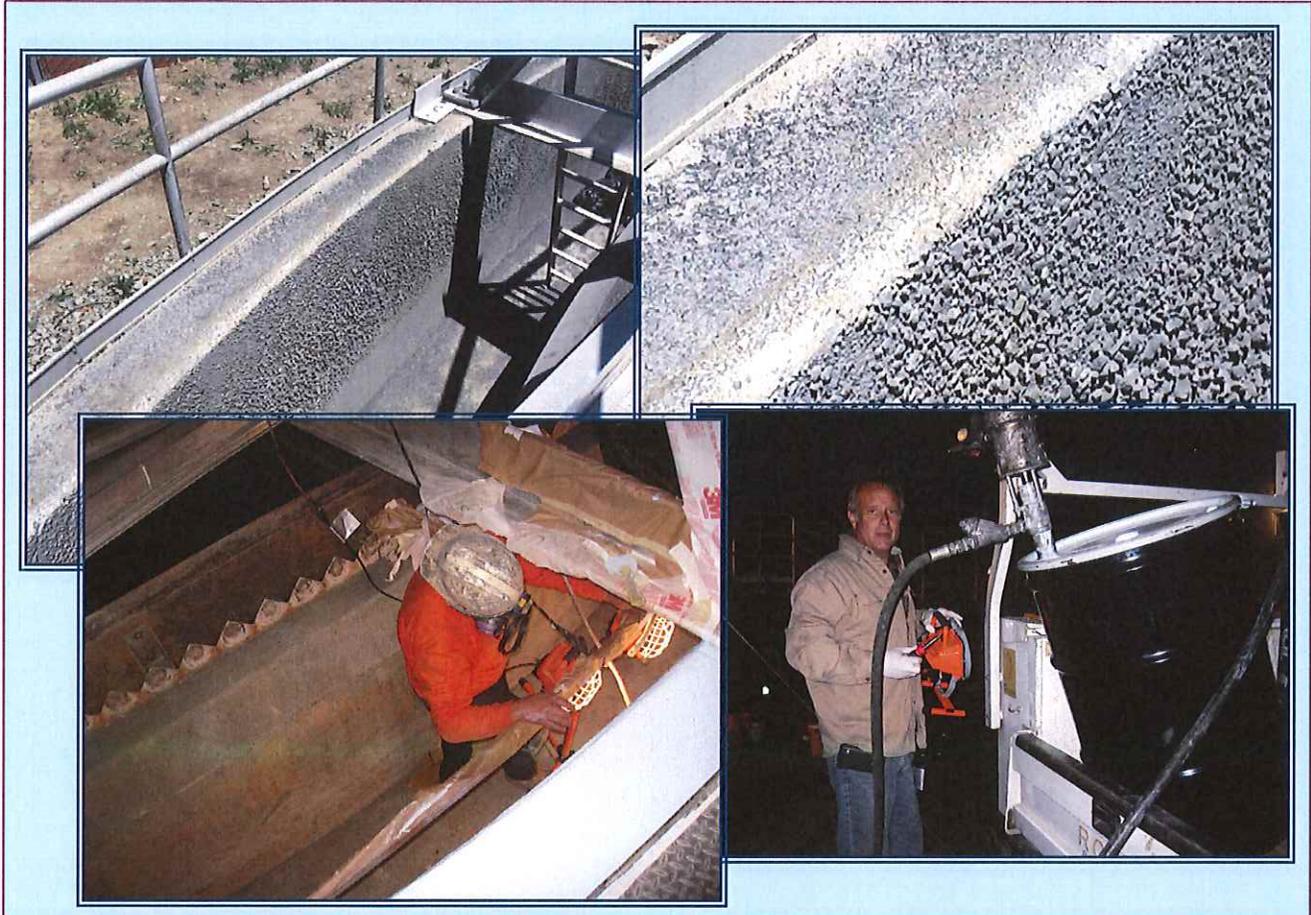
**Veolia Support Staff On/Off Site (Various Times)**

John O'Hare	Technical Support
Dave Coffman	Asset Management

PRIMARY CLARIFIER #1 EFFLUENT LAUNDER COATING PROJECT  
(NSD)  
May 2015



PRIMARY CLARIFIER #1 EFFLUENT LAUNDER COATING PROJECT  
(NSD)  
May 2015





ADJUSTING BIO-GAS VALVE ACTUATOR  
May 2015



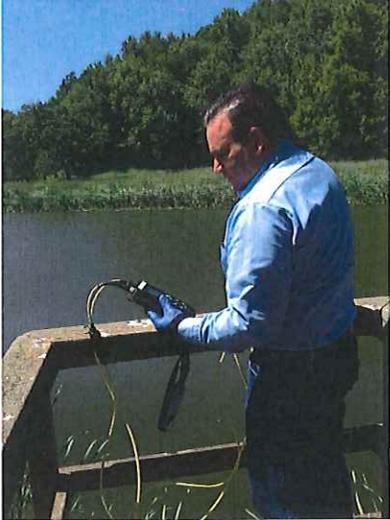


THERMOGRAPHIC IMAGING





Wildlife Pond Monitoring





Semi-Annual Sampling



Novato Sanitary District  
BOD/TSS Report



May, 2015

Date	Flow MGD	Influent				Effluent				BOD % Removal PERCENT	TSS % Removal PERCENT
		BOD		TSS		BOD		TSS			
		mg/l	lb/d	mg/l	lb/d	mg/l	lb/d	mg/l	lb/d		
05/01/15	3.49										
05/02/15	3.92										
05/03/15	4.16										
05/04/15	3.46										
05/05/15	3.44										
05/06/15	3.42	261	7,444	264	7,530	6	171	4	114	97.7	98.5
05/07/15	3.43	300	8,582	291	8,324	12	343	9	257	96.0	96.9
05/08/15	3.29	250	6,860	274	7,518	5	137	<3	<82	98.0	98.9
05/09/15	3.43										
05/10/15	3.53										
05/11/15	3.83	306	9,774	299	9,551	14	447	14	447	95.4	95.3
05/12/15	3.81	285	9,056	292	9,278	5	159	<3	<95	98.2	99.0
05/13/15	3.83	267	8,529	292	9,327	13	415	<3	<96	95.1	99.0
05/14/15	4.27										
05/15/15	3.98										
05/16/15	3.81										
05/17/15	4.13	342	11,780	256	8,818	19	654	7	241	94.4	97.3
05/18/15	3.97										
05/19/15	3.40	338	9,584	244	6,919	11	312	<3	<85	96.7	98.8
05/20/15	3.67	289	8,846	439	13,437	7	214	<3	<92	97.6	99.3
05/21/15	3.09										
05/22/15	3.34										
05/23/15	3.50										
05/24/15	3.23										
05/25/15	3.55										
05/26/15	3.98	287	9,526	388	12,879	12	398	16	531	95.8	95.9
05/27/15	3.82	265	8,443	284	9,048	10	319	<3	<96	96.2	98.9
05/28/15	3.84	217		263	8,423	8		5	160		98.1
05/29/15	3.60										
05/30/15	3.80										
05/31/15	4.02										
<b>Weekly Averages</b>											
05/02/15	Week 1	275	9,305	355	12,013	8	259	4	124		
05/09/15	Week 2	270	7,629	276	7,791	8	217	5	151		
05/16/15	Week 3	286	9,120	294	9,385	11	340	7	213		
05/23/15	Week 4	323	10,070	313	9,724	12	394	4	139		
05/30/15	Week 5	256	8,985	312	10,117	10	358	8	262		
<b>Monthly</b>											
Minimum	3.09	217	6,860	244	6,919	5	137	<3	<82	94	95
Maximum	4.27	342	11,780	439	13,437	19	654	16	531	98	99
Total	114.04										
Average	3.68	284	8,948	299	9,254	10	325	<6	<191	96	98

Novato Sanitary District  
Conventional Pollutants Report



May, 2015

Date	INFLUENT - A001			Effluent - E002							
	Flow Total	pH	Ammonia	Coliform / Bacteria			pH	Ammonia	Unionized Ammonia	Oil & Grease	Temp
				Fecal	Entero	Total					
	MGD	su	mg/L	MPN/100 mL			su	mg/L	mg/L		Deg C
05/01/15	3.49						6.9				22.2
05/02/15	3.92										
05/03/15	4.16										
05/04/15	3.46						7.0				20.9
05/05/15	3.44			4.5	2.0		6.9				21.5
05/06/15	3.42	7.4		4.5	2.0		7.0			<2.1	21.2
05/07/15	3.43			6.8	2.0		7.0	0.46	0.00196		21.1
05/08/15	3.29						6.9				21.5
05/09/15	3.43										
05/10/15	3.53										
05/11/15	3.83			13.0	<1.0		7.0				21.7
05/12/15	3.81			7.8	2.0		7.0				21.3
05/13/15	3.83			7.8	3.1		6.9				21.3
05/14/15	4.27						6.9				21.8
05/15/15	3.98						6.9				21.5
05/16/15	3.81										
05/17/15	4.13			<1.8	2.0						
05/18/15	3.97						6.8				21.2
05/19/15	3.40			4.5	<1.0		6.9				21.4
05/20/15	3.67	7.3		<1.8	2.0		6.9				21.7
05/21/15	3.09						7.0				22.1
05/22/15	3.34						7.0				21.8
05/23/15	3.50										
05/24/15	3.23										
05/25/15	3.55						7.0				22.0
05/26/15	3.98			4.5	<1.0		7.1				21.4
05/27/15	3.82			7.8	<1.0		7.1				21.7
05/28/15	3.84			2.0	<1.0		7.0				22.2
05/29/15	3.60	7.6					7.0				22.1
05/30/15	3.80										
05/31/15	4.02										

Monthly

Minimum	3.09	7.3		<1.8	<1.0		6.8	0.46		<2.1	20.9
Maximum	4.27	7.6		13.0	3.1		7.1	0.46	0.00196	<2.1	22.2
Total	114.04										
Average	3.68	7.4					7.0	0.46	0.00196	<2.1	21.6

# Novato Plant : Bacterial Results

## EFFLUENT: E-002 Station

### May-15

<b>Fecal Coliform</b>	<b>Enterococcus</b>
(1) 30-Day Median 140 MPN/100 ml (2) 90th %ile - 430 MPN/100 ml	30-Day Geometric mean not to exceed <b>35 MPN/100 mL</b>

May 1, 2015		
May 2, 2015		
May 3, 2015		
May 4, 2015		
May 5, 2015	<b>4.5</b>	
May 6, 2015	<b>4.5</b>	
May 7, 2015	<b>6.8</b>	
May 8, 2015		
May 9, 2015		
May 10, 2015		
May 11, 2015	<b>13</b>	
May 12, 2015	<b>7.8</b>	
May 13, 2015	<b>7.8</b>	
May 14, 2015		
May 15, 2015		
May 16, 2015		
May 17, 2015	< <b>1.8</b>	
May 18, 2015		
May 19, 2015	<b>4.5</b>	
May 20, 2015	< <b>1.8</b>	
May 21, 2015		
May 22, 2015		
May 23, 2015		
May 24, 2015		
May 25, 2015		
May 26, 2015	<b>4.5</b>	
May 27, 2015	<b>7.8</b>	
May 28, 2015	<b>2</b>	
May 29, 2015		
May 30, 2015		
May 31, 2015		

<b>Max</b>	<b>13</b>
<b>Min</b>	<b>1.8</b>
<b>Avg</b>	<b>5.57</b>
<b>30-Day Median</b>	<b>4.5</b>
<b>90th Percentile Value</b>	<b>7.8</b>

May 1, 2015		
May 2, 2015		
May 3, 2015		
May 4, 2015		
May 5, 2015	<b>2.0</b>	
May 6, 2015	<b>2.0</b>	
May 7, 2015	<b>2.0</b>	
May 8, 2015		
May 9, 2015		
May 10, 2015		
May 11, 2015	< <b>1.0</b>	
May 12, 2015	<b>2.0</b>	
May 13, 2015	<b>3.1</b>	
May 14, 2015		
May 15, 2015		
May 16, 2015		
May 17, 2015	<b>2.0</b>	
May 18, 2015		
May 19, 2015	< <b>1.0</b>	
May 20, 2015	<b>2.0</b>	
May 21, 2015		
May 22, 2015		
May 23, 2015		
May 24, 2015		
May 25, 2015		
May 26, 2015	< <b>1.0</b>	
May 27, 2015	< <b>1.0</b>	
May 28, 2015	< <b>1.0</b>	
May 29, 2015		
May 30, 2015		
May 31, 2015		

<b>Max</b>	<b>3.1</b>
<b>Min</b>	<b>1.0</b>
<b>Avg</b>	<b>1.7</b>
<b>30 Day Geo. Mean</b>	<b>1.6</b>

# NOVATO SANITARY DISTRICT RECYCLED WATER COMPLIANCE SUMMARY REPORT

Date	Filter Influent Flow	Recycled Water Flow to Plum St.	Recycled Water Banked	Banked Water To Plum Street Tank	Potable Water To Plum St Tank	Recycled Water Influent Turbidity Max	Recycled Water Influent Turbidity Ave.	Minutes Over 5 Turbidity	Filter Effluent 24 Hr Average Turbidity	Recycled Water Inf Chlorine Dose	Filter Effluent Dissolved Oxygen	Total Coliform	Chlorint Contact Time
	MGD	MGD	MG	MGD	NTU	NTU	(m)	NTU	(mg/l)	(mg/l)	MPN/100m	Minutes	
5/1/2015	0.670	0.574				2.4	0	1.0			<2	>450.000	
5/2/2015	0.700	0.550				2.0	0	1.0			<2	>450.000	
5/3/2015	0.850	0.635				1.8	0	1.0		8.6	<2	>450.000	
5/4/2015	0.700	0.570				2.4	0	0.9		8.5	<2	>450.000	
5/5/2015	0.780	0.638				2.0	0	0.9		8.7	<2	>450.000	
5/6/2015	0.780	0.584				2.4	0	1.1			<2	>450.000	
5/7/2015	0.660	0.622				3.0	0	1.1			<2	>450.000	
5/8/2015	0.800	0.657				3.2	0	1.2			<2	>450.000	
5/9/2015	0.680	0.605				3.2	0	1.2			<2	>450.000	
5/10/2015	0.710	0.469				2.6	0	1.4		7.9	<2	>450.000	
5/11/2015	0.860	0.712					0	1.3		7.9	49	>450.000	
5/12/2015	0.710	0.561				3.7	0	1.2		8.0	<2	>450.000	
5/13/2015	0.720	0.282				3.5	0	1.4			350	>450.000	
5/14/2015	0.230	0.033					0	1.4			5.6	>450.000	
5/15/2015	0.150	0.109					0	1.6			<2	>450.000	
5/16/2015	0.000	0.000					0	1.6					
5/17/2015	0.080	0.000					0	1.6					
5/18/2015	1.010	0.776				3.6	0	1.8		7.7	<2	>450.000	
5/19/2015	0.920	0.654				3.1	0	1.2		7.9	<2	>450.000	
5/20/2015	0.900	0.652				2.8	0	1.2		6.5	<2	>450.000	
5/21/2015	0.660	0.480				3.1	0	1.1			<2	>450.000	
5/22/2015	0.930	0.688				2.7	0	1.1			<2	>450.000	
5/23/2015	0.730	0.582				2.9	0	1.0			<2	>450.000	
5/24/2015	0.860	0.582				2.1	0	1.2			<2	>450.000	
5/25/2015	0.810	0.575				3.0	0	1.0		6.6	<2	>450.000	
5/26/2015	0.740	0.480				2.4	0	0.9		8.7	<2	>450.000	
5/27/2015	1.000	0.704				2.1	0	1.0		8.7	<2	>450.000	
5/28/2015	0.820	0.673				2.2	0	1.1			<2	>450.000	
5/29/2015	0.710	0.585				2.5	0	1.1			<2	>450.000	
5/30/2015	0.800	0.654				2.2	0	1.3			<2	>450.000	
5/31/2015	0.880	0.538				2.7	0	1.3			<2	>450.000	
<b>Total</b>	<b>21.850</b>	<b>16.224</b>				<b>69.6</b>	<b>0</b>	<b>37.2</b>		<b>95.6</b>	<b>&lt;451</b>	<b>&gt;13,050.0</b>	
Minimum	0.000	0.000				1.8	0	0.9		6.5	<2	>450.0	
Maximum	1.010	0.776				3.7	0	1.8		8.7	350	>450.0	
Average	0.705	0.523				2.7	0	1.2		8.0	<16	>450.0	
Average	0.705	0.523				2.7	0	1.2		8.0	<16	>450.0	



**Compliance & Regulatory**

- Total number of coliform excursions for the Recycled Water Plant in April and May are as follows:
  - April – Three excursions.
  - May – Six excursions.
- Table “A” below provides a breakdown of excursion by types.

**TABLE “A”  
RECYCLED WATER - TOTAL COLIFORM EXCURSIONS**

Date	Value	Compliant	LIMITS		
			7 Sample Median >2.2 mpn	2 Sample >23 In 30 Days	>240 Any Sample
April 25, 2015	4.5	X	All results prior to April 28 <sup>th</sup> were compliant		
April 26, 2015	N/S				
April 27, 2015	140	X			
April 28, 2015	220			X	
April 29, 2015	4.5		X		
April 30, 2015	<2		X		
May 1, 2015	<2		X		
May 2, 2015	<2		X		
May 3, 2015	<2	X			
May 4, 2015	<2	X			
May 5, 2015	<2				
May 6, 2015	<2	X			
May 7, 2015	<2	X			
May 8, 2015	<2	X			
May 9, 2015	<2	X			
May 10, 2015	<2	X			
May 11, 2015	49			X	
May 12, 2015	<2	X			
May 13, 2015	350			X	X
May 14, 2015	5.6	X			
May 15, 2015	<2		X		
May 16, 2015	N/S				
May 17, 2015	N/S				
May 18, 2015	<2		All results from May 18 <sup>th</sup> to date (June 10 <sup>th</sup> ) are compliant		

**Apparent Cause**

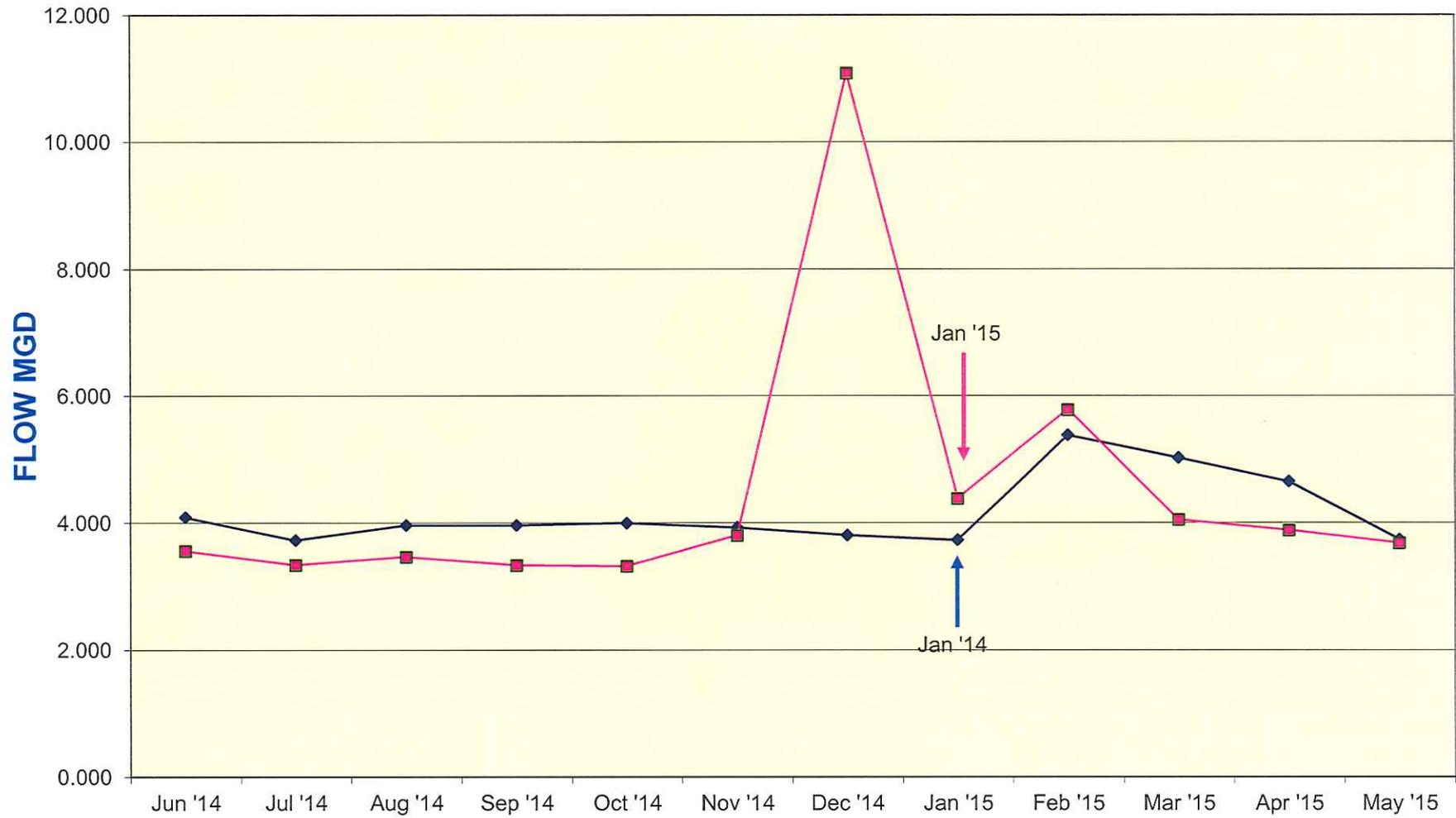
Although the precise cause has not been identified all high values occurred with the clear well in service. The clear well is used to store water. The clear well has been removed from service for the time being. No additional excursions have occurred since removing the clear well from service.

**Next Steps**

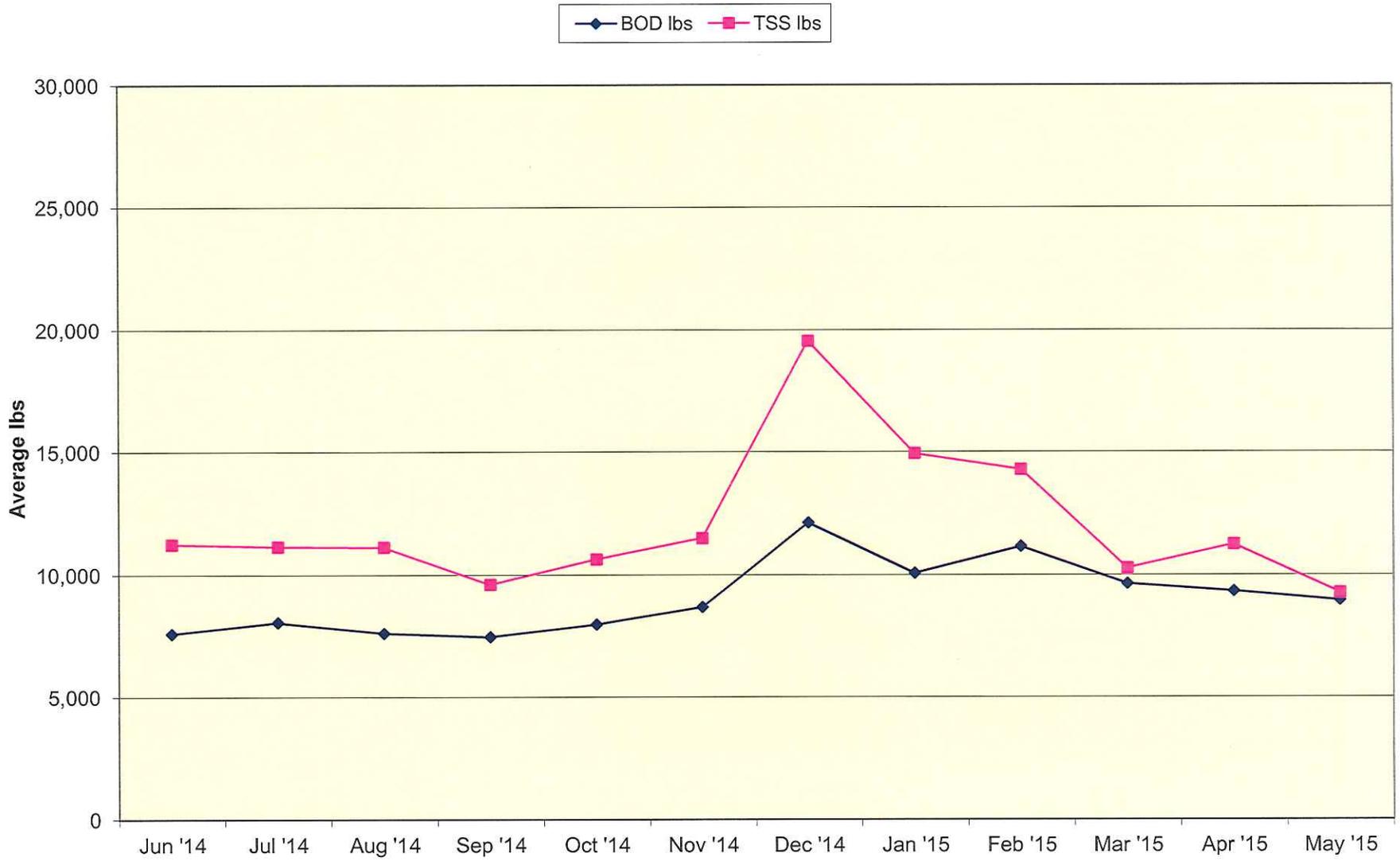
We (Veolia) are working on a study plan to determine conditions necessary to allow use of clear well storage while ensuring compliance. Some of the variables we will investigate include water hold time, chlorine residual, and sample location, methods, and procedures.

## FLOW COMPARISON

—◆— 2013 / 14    —■— 2014 / 15



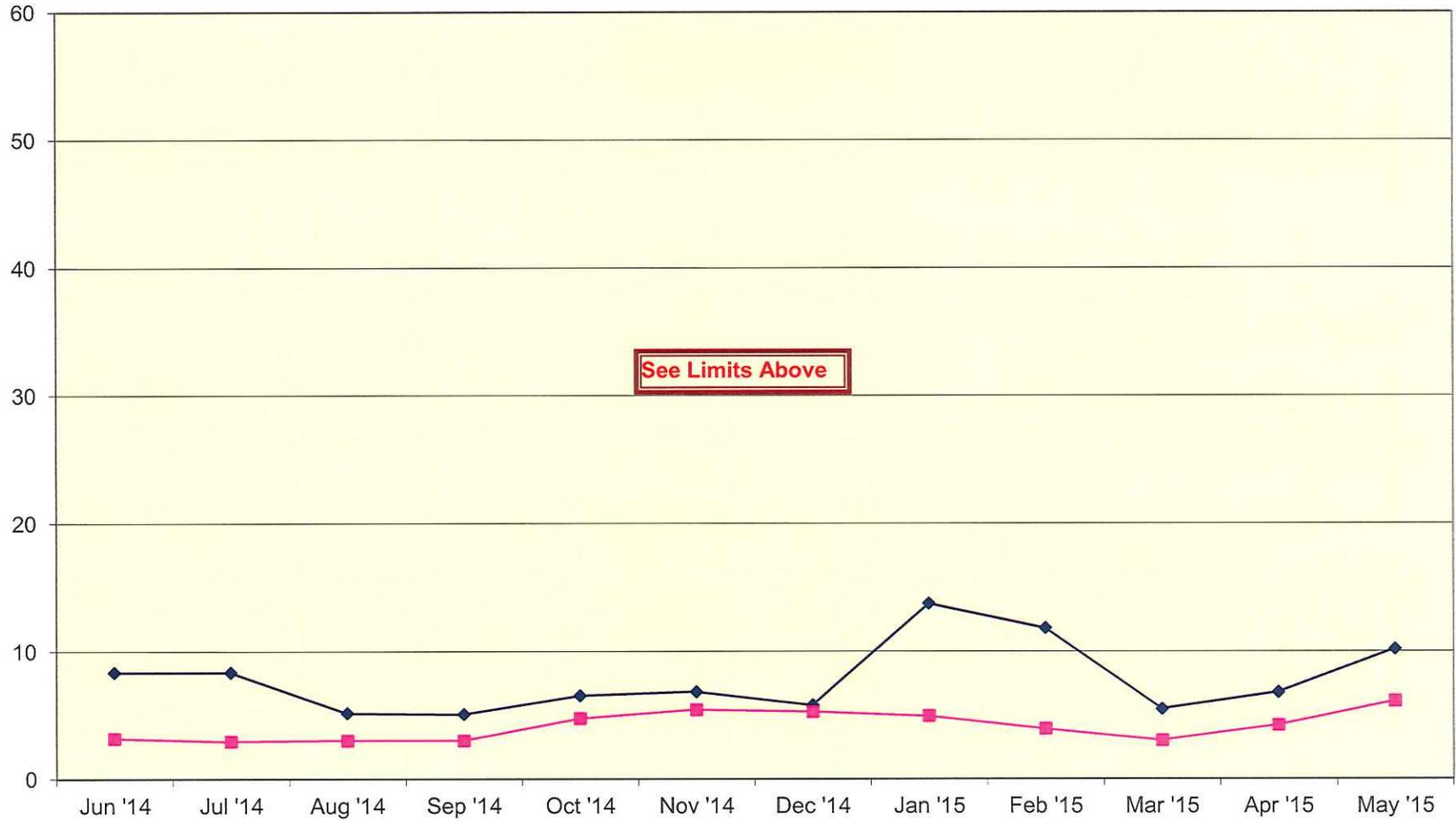
### Influent Load BOD / TSS lbs



# Effluent BOD / TSS Concentration

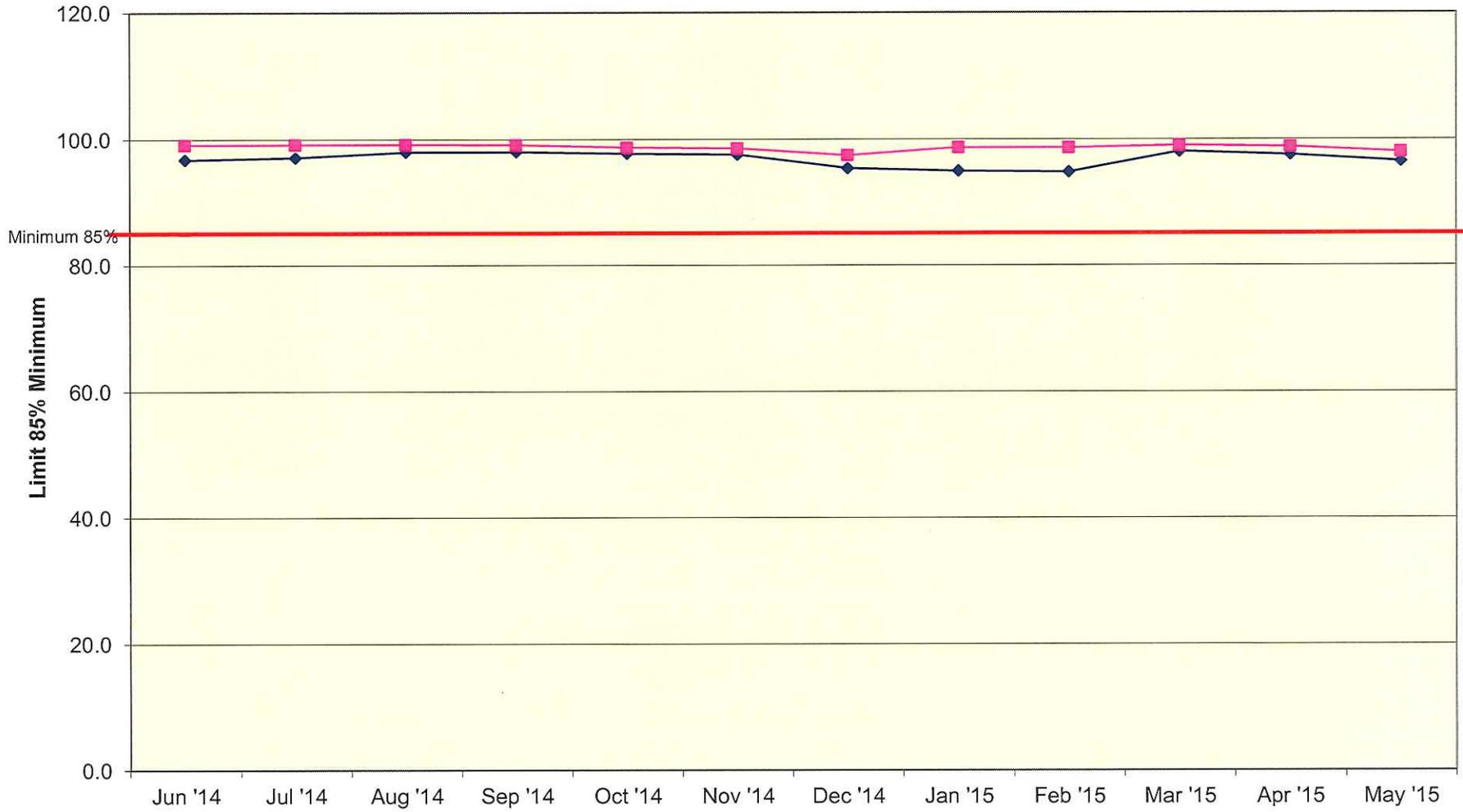
NPDES LIMITS WET SEASON  
BOD & TSS - 30 mg/L Monthly Ave, 45 mg/L Weekly Ave  
**NPDES LIMITS DRY SEASON**  
**BOD - 15 mg/L Monthly Ave, 30 mg/L Weekly Ave**  
**TSS - 10 mg/L Monthly Ave, 20 mg/L Weekly Ave**  
WDR (Waste Discharge Requirements) RECLAMATION  
BOD - 40 mg/L

◆ BOD ■ TSS



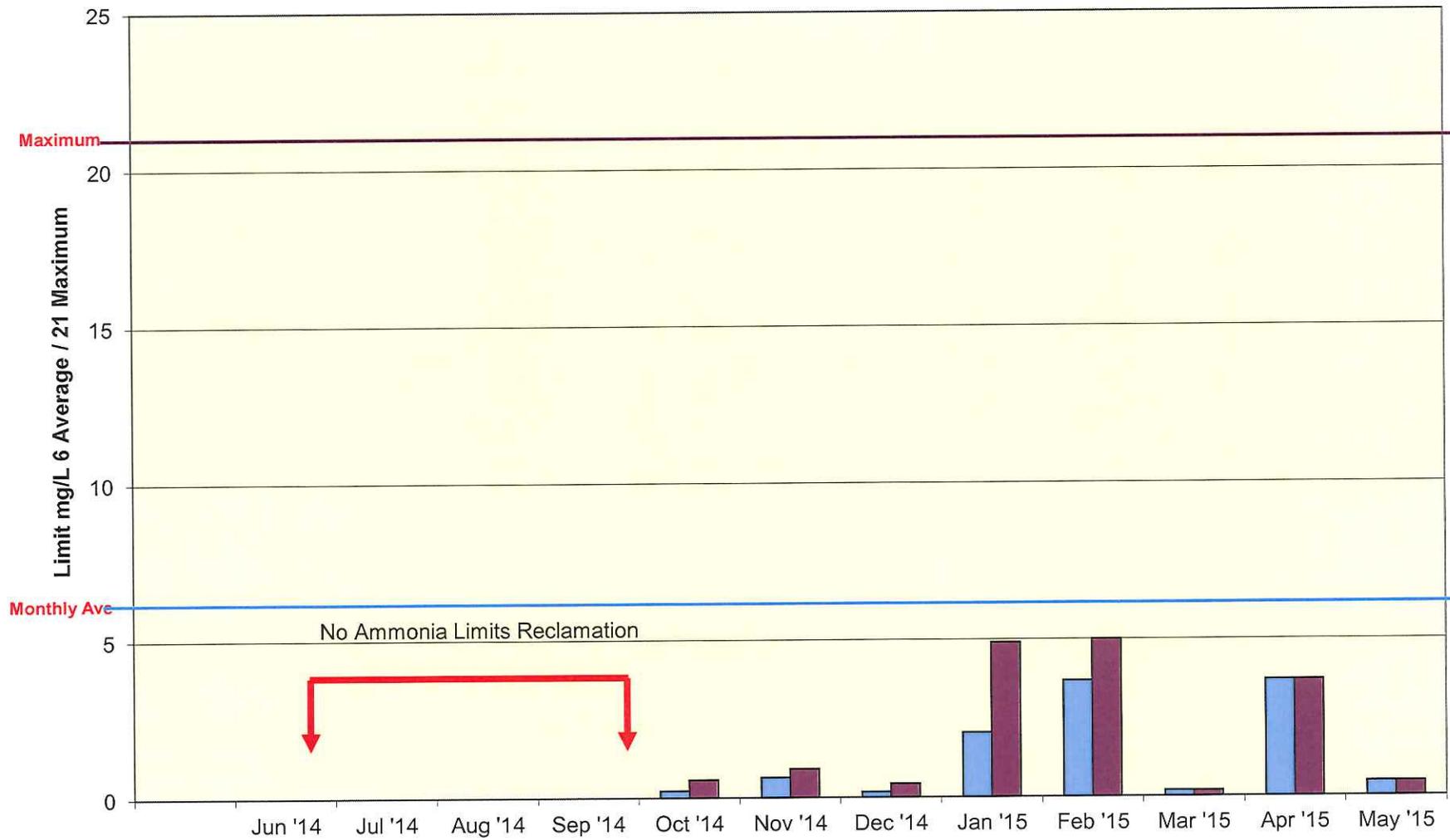
# BOD / TSS Percent Removal

◆ BOD    ■ TSS



# Effluent Ammonia

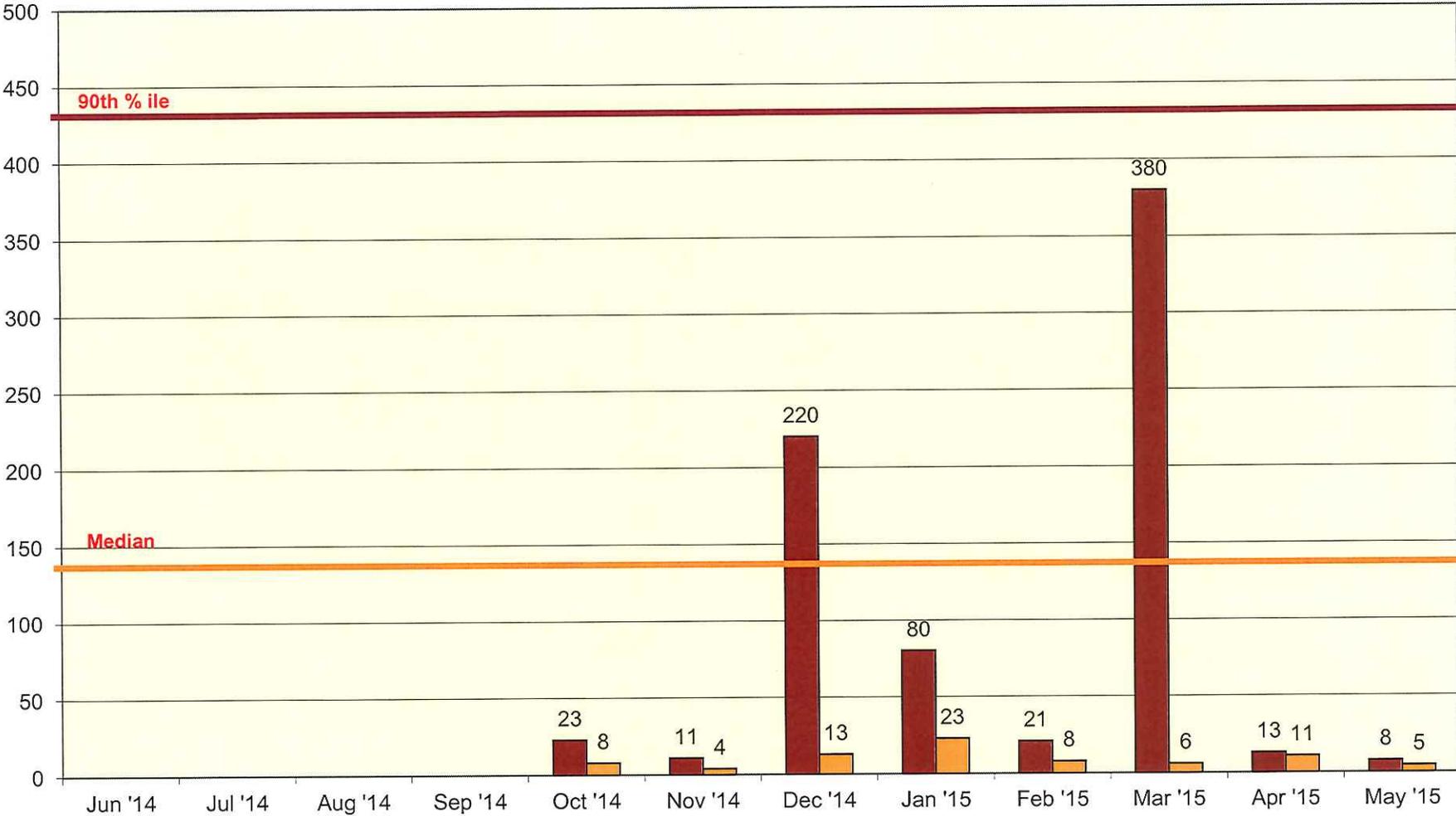
Average Maximum



# Disinfection - Fecal Coliform

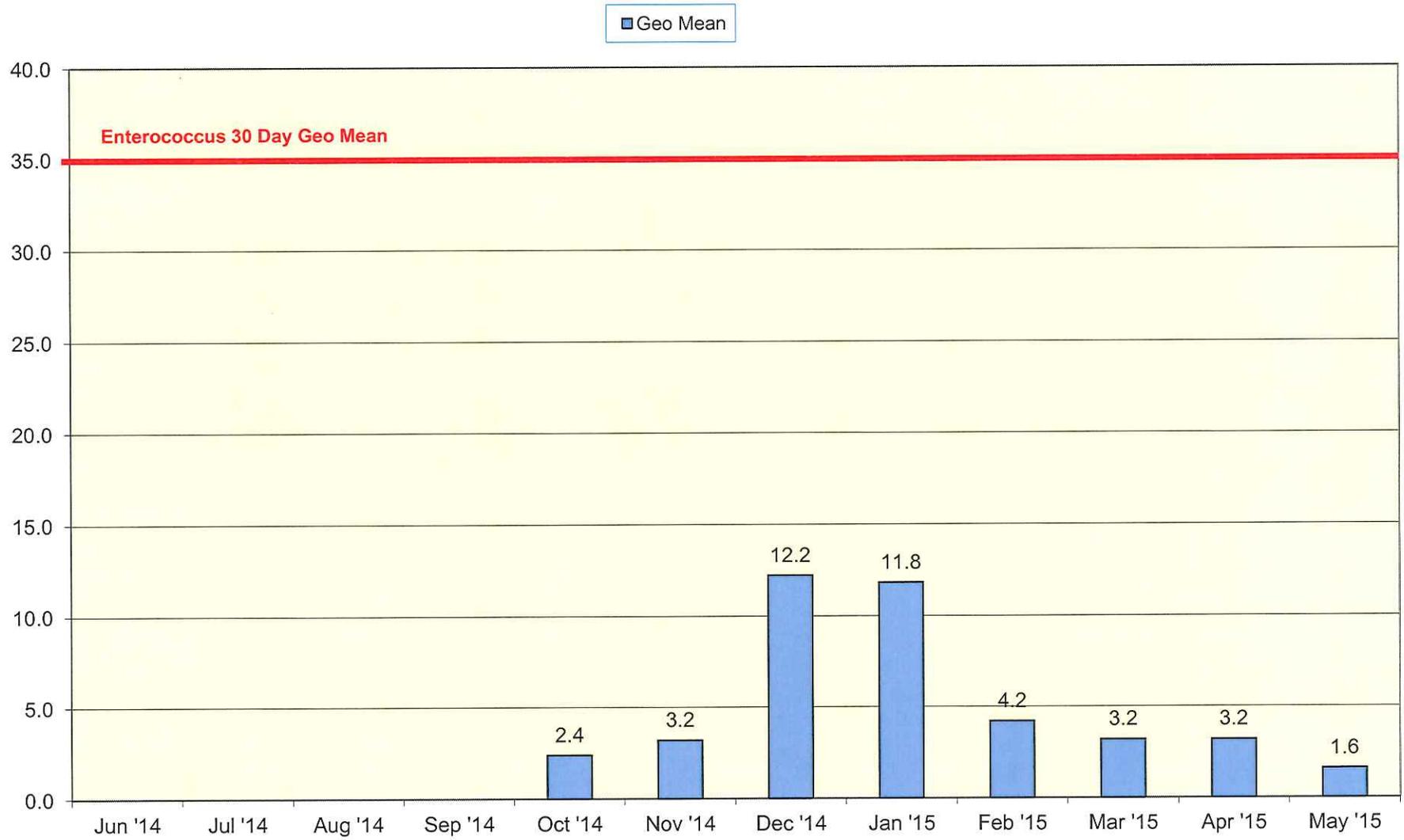
LIMITS - NPDES  
Fecal 140 mpn monthly median  
Fecal 430 mpn 90th percentile 30 day

90th % ile 30 day med



# Disinfection - Enterococcus

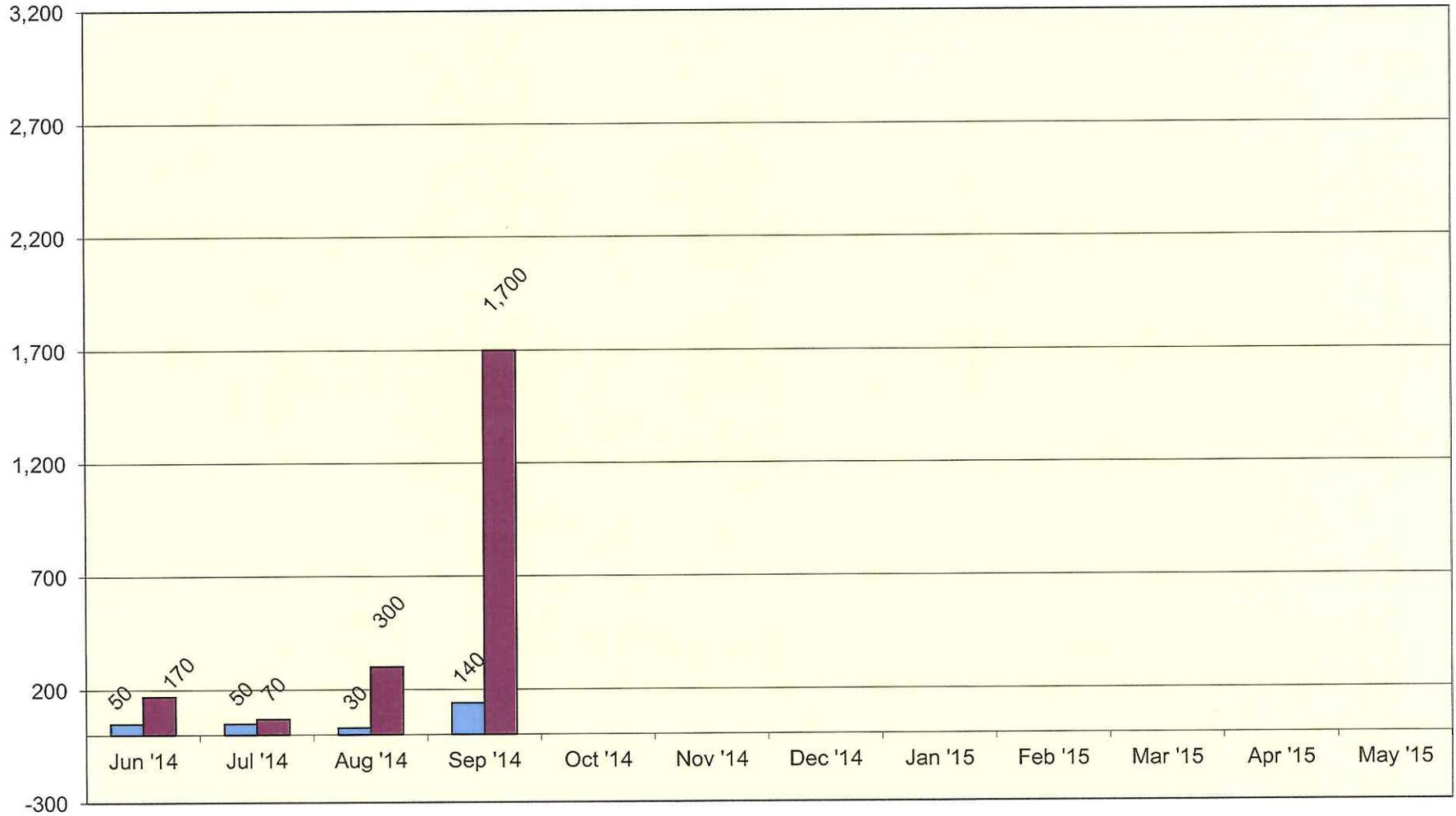
LIMITS - NPDES  
Enterococcus 30 day geo mean 35 mpn /100ml



# Disinfection - Total Coliform

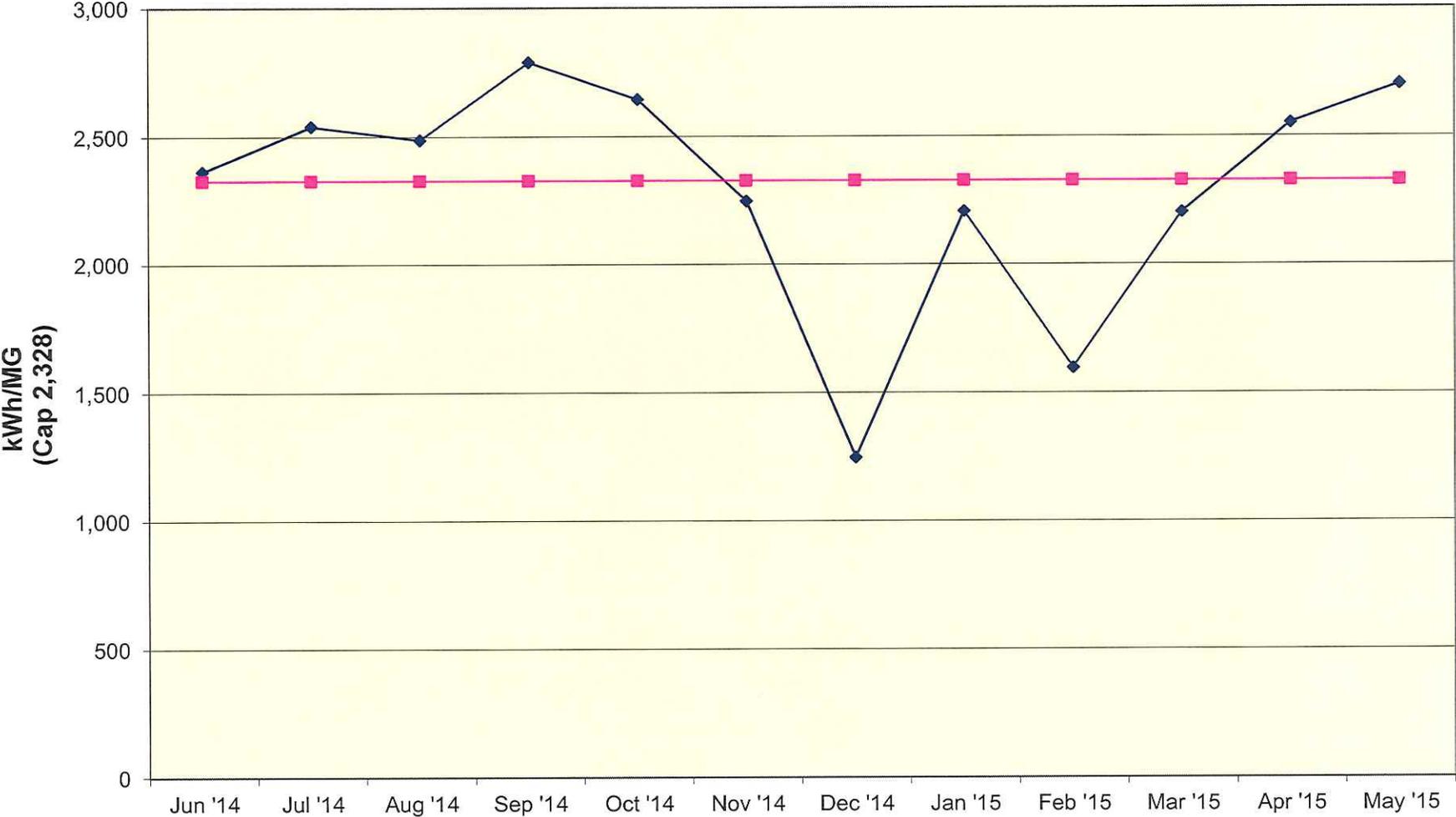
TOTAL COLIFORM LIMITS - WDR  
5 Sample Median - 240 mpn /100 ml  
Maximum - 10,000 mpn/100 ml

■ 5 Sampl Med ■ Monthly Max



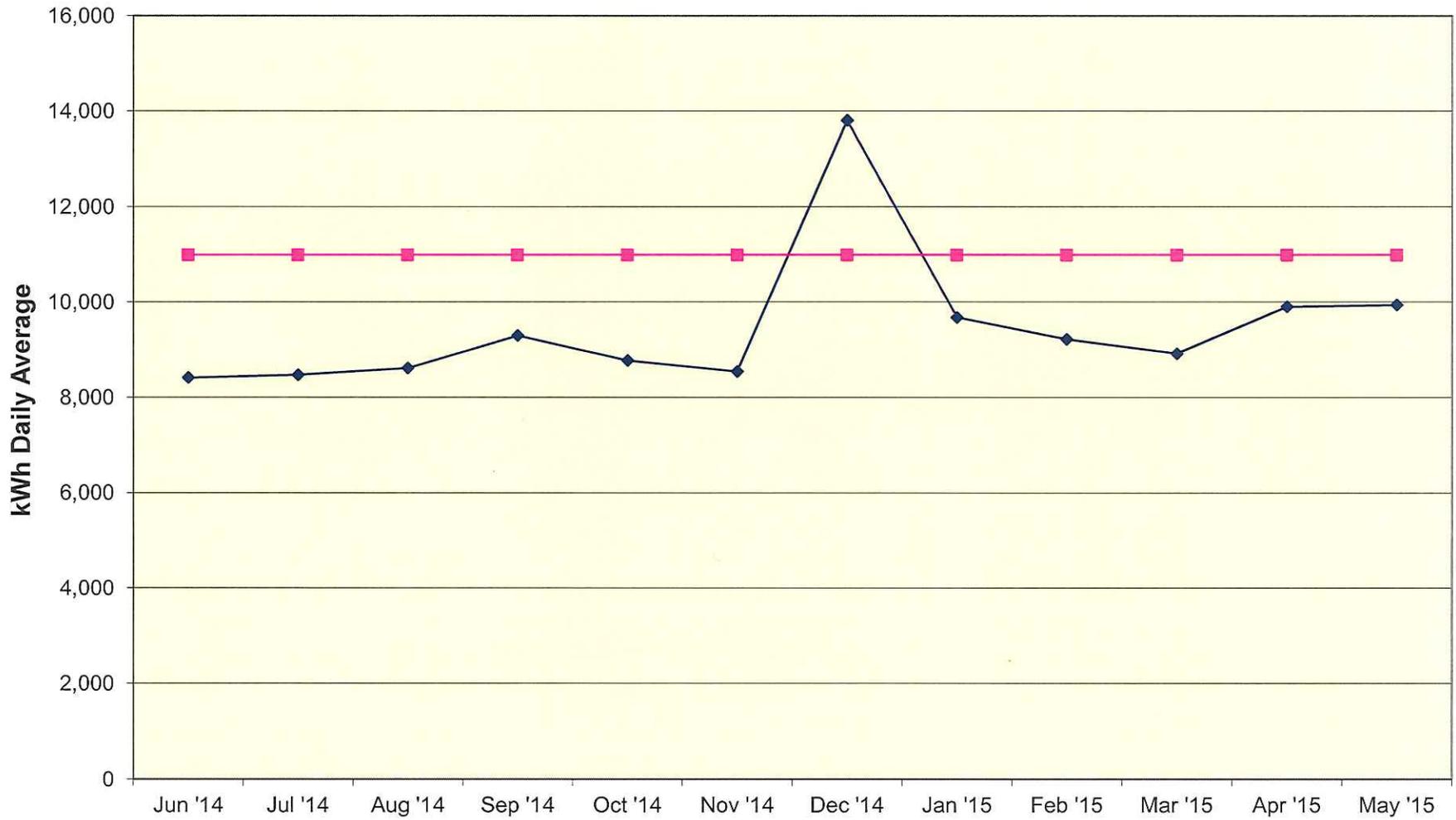
# Energy kWh/MG

—◆— kWh/MG    —■— Cap



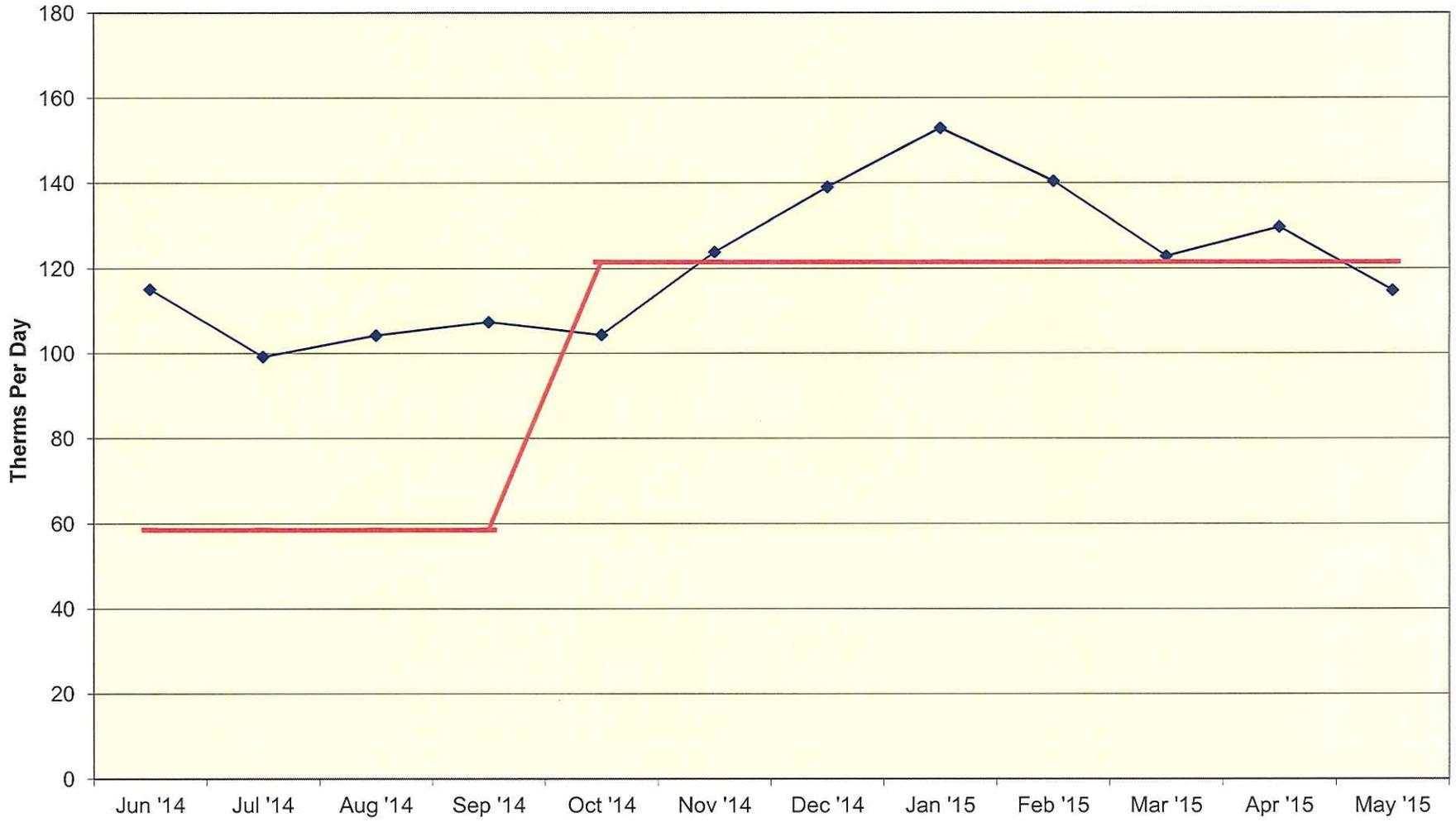
# Energy kWh

—◆— kWh —■— Cap

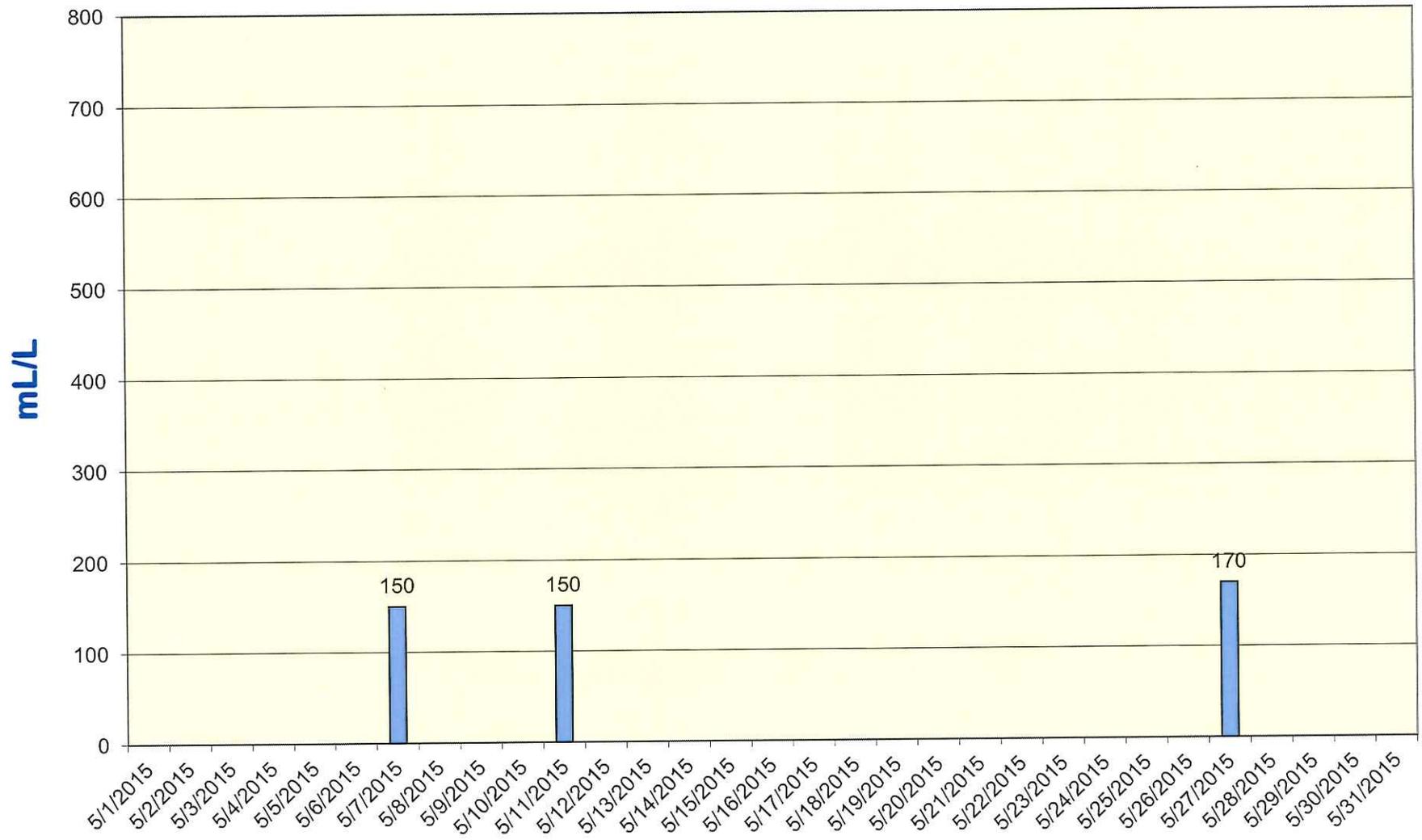


### Natural Gas Use

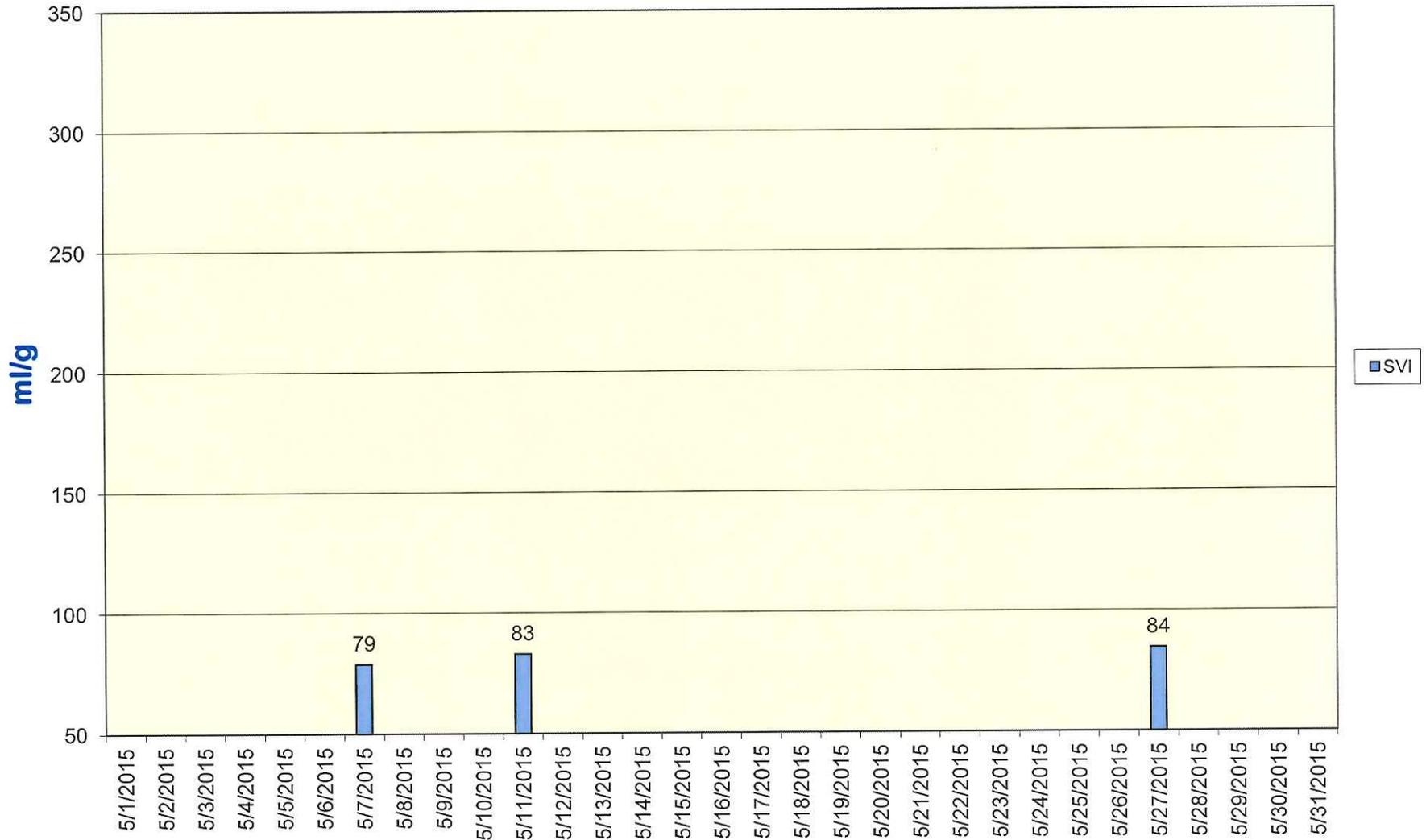
◆ Natural Gas — Cap



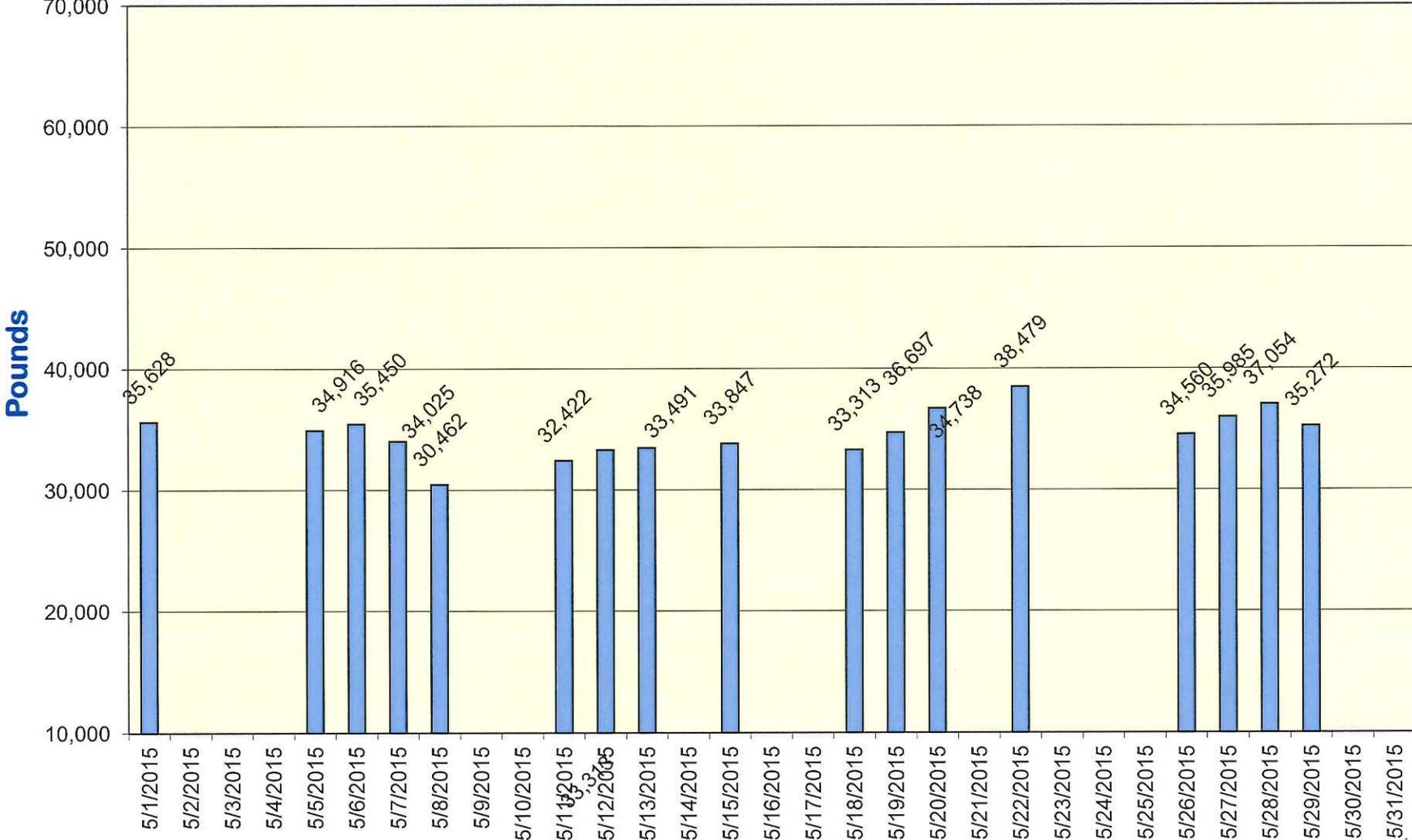
## Settleability



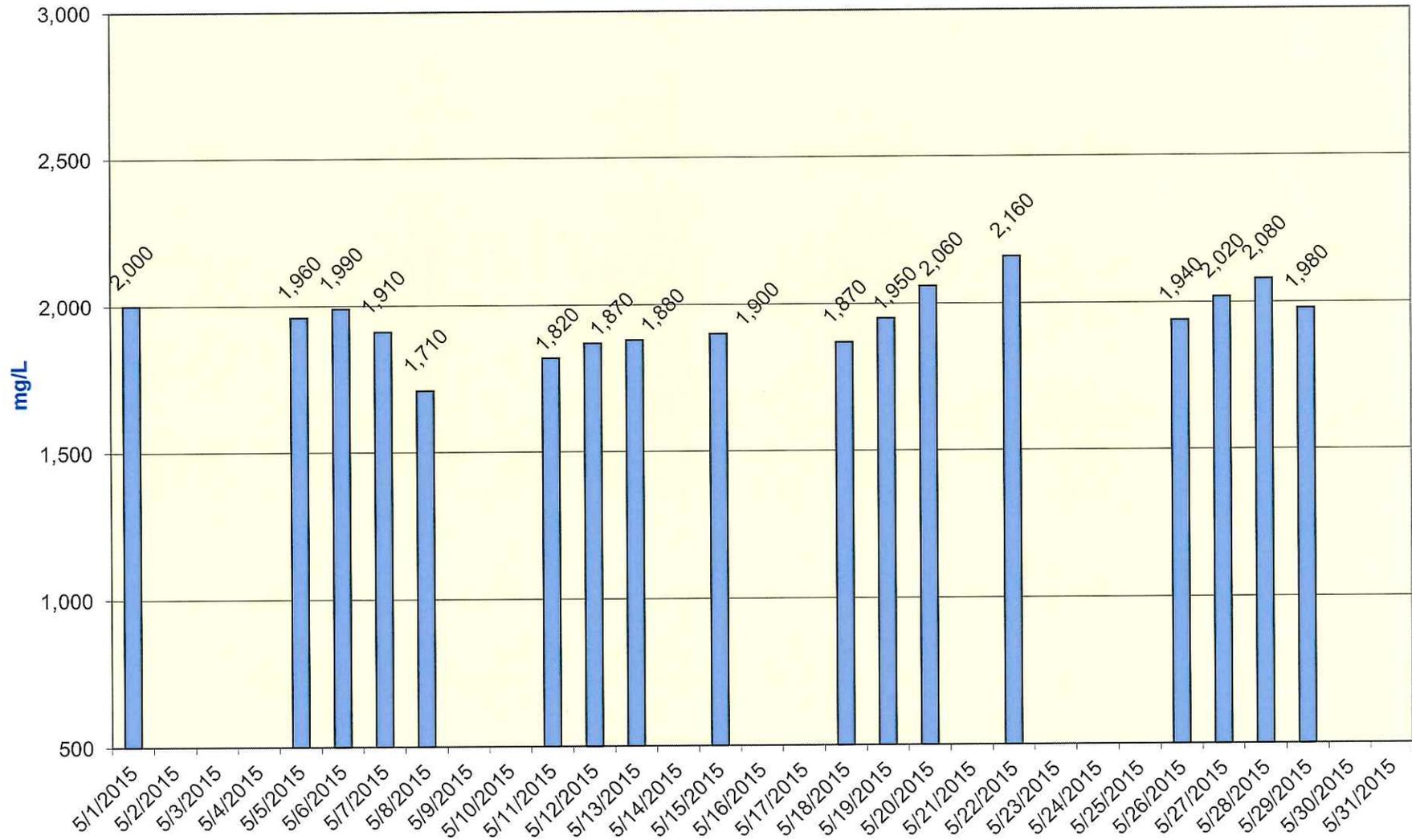
# Sludge Volume Index



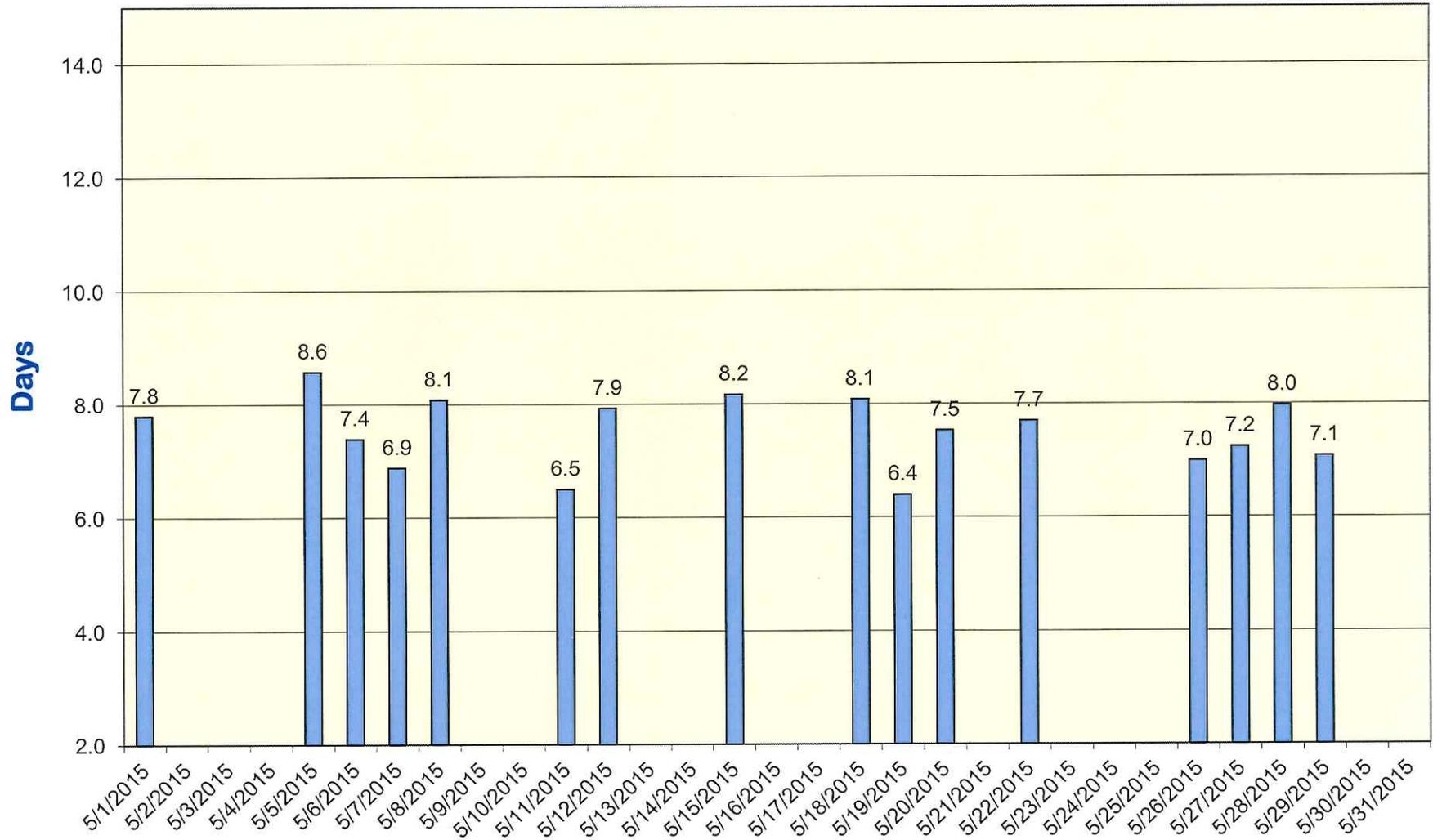
# MLSS Inventory



# MLSS Concentration



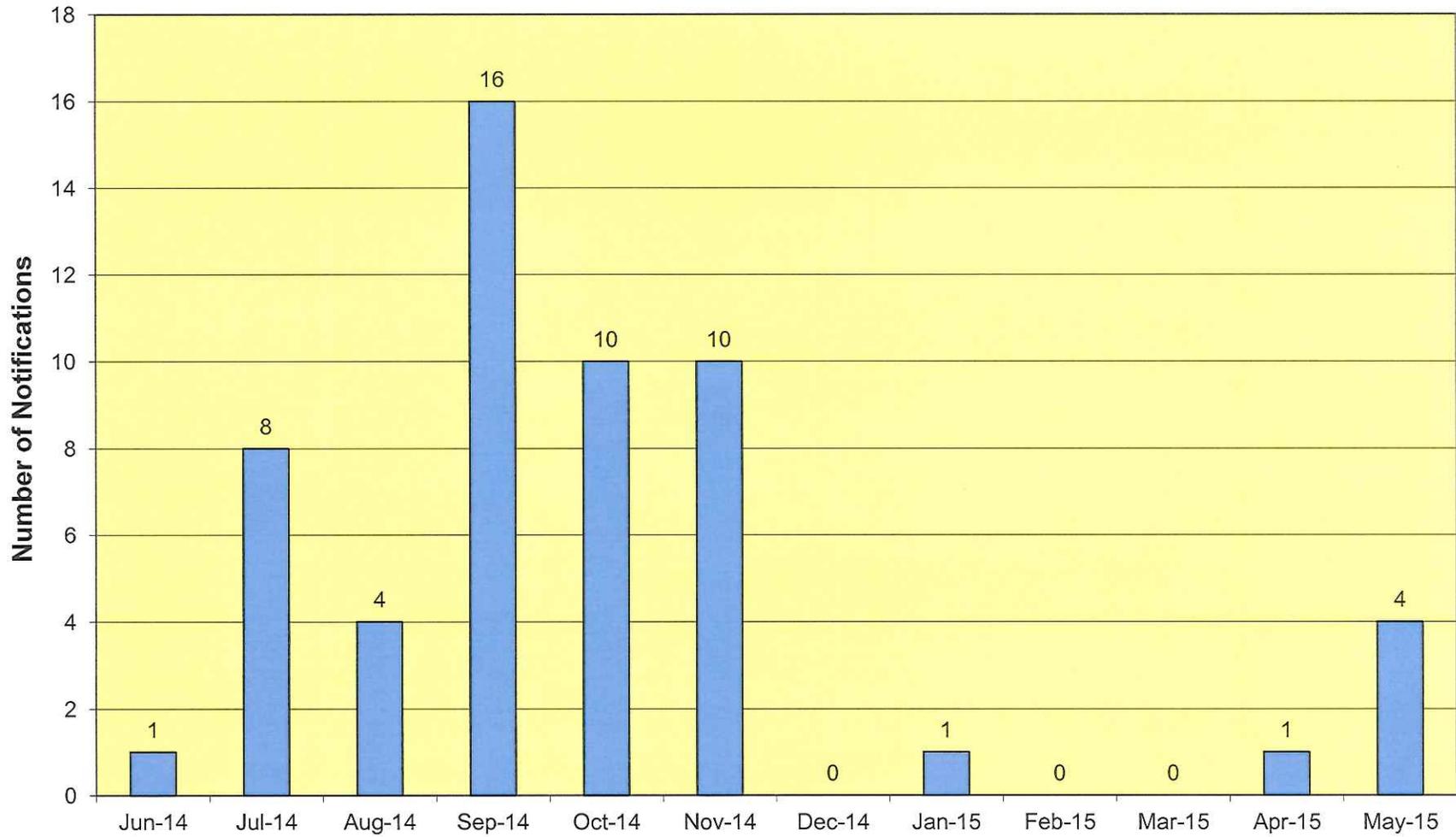
## Mean Cell Residence Time



## Process Control Data

	Influent Flow	Settleability	MLSS Concentration	MLSS Inventory	F:M Ratio	MCRT	SVI
5/1/2015	3.49		2,000	35,628		7.8	
5/2/2015	3.92						
5/3/2015	4.16						
5/4/2015	3.46						
5/5/2015	3.44		1,960	34,916		8.6	
5/6/2015	3.42		1,990	35,450		7.4	
5/7/2015	3.43	150	1,910	34,025		6.9	79
5/8/2015	3.29		1,710	30,462		8.1	
5/9/2015	3.43						
5/10/2015	3.53						
5/11/2015	3.83	150	1,820	32,422		6.5	83
5/12/2015	3.81		1,870	33,313		7.9	
5/13/2015	3.83		1,880	33,491			
5/14/2015	4.27						
5/15/2015	3.98		1,900	33,847		8.2	
5/16/2015	3.81						
5/17/2015	4.13						
5/18/2015	3.97		1,870	33,313		8.1	
5/19/2015	3.40		1,950	34,738		6.4	
5/20/2015	3.67		2,060	36,697		7.5	
5/21/2015	3.09						
5/22/2015	3.34		2,160	38,479		7.7	
5/23/2015	3.50						
5/24/2015	3.23						
5/25/2015	3.55						
5/26/2015	3.98		1,940	34,560		7.0	
5/27/2015	3.82	170	2,020	35,985		7.2	84
5/28/2015	3.84		2,080	37,054		8.0	
5/29/2015	3.60		1,980	35,272		7.1	
5/30/2015	3.80						
5/31/2015	4.02						
Minimum	3.09	150.00	1,710.00	30,462	0.00	6.4	79
Maximum	4.27	170	2,160	38,479	0.00	8.6	84
Total	106.22	470	33,100	589,651	0.00	120.2	246
Average	3.66	157	1,947	34,685	#DIV/0!	7.5	82

## Complaints / Contacts Received





**NOVATO SANITARY DISTRICT**  
**Wastewater Operations Committee Meeting**  
**Odor Control and Landscaping Report**  
**May 2015**

**1.0 Background**

Work continues on odor control and landscaping, especially at the fence-line area next to the Lea Drive neighborhood, and at the northeast portion of the Novato Treatment Plant (NTP) site.

As mentioned in prior reports, the District has already invested significant amounts beyond the substantial initial investment for odor control and landscaping from the original WWTP Upgrade Project. These additional costs have included operational changes, measures related to further odor control measures, noise abatement, visual screening, wind shielding, and daily monitoring.

**2.0 Odor control**

Odor control related activities in May included:

- Mr. David McEwen of Brown and Caldwell, the District's odor consultant, made a presentation to the Board of Directors at the Board meeting of May 11, 2015. He updated the Board as to his efforts as well as the District's efforts to date and presented his recommended future steps.
- Liquid phase sulfide sampling and analysis continued (one of Mr. McEwen's recommendations).
- As-needed use of the new Aqua-Fog system which utilizes an odor counteractant technique to broadcast a water based non-toxic odor neutralizer in the vicinity of the aeration basins (another recommendation by Mr. McEwen).
- Monitoring the media in the large odor control bed between primary clarifiers #1 & #2 which appears to be performing satisfactorily.
- Pre-chlorination: Sodium hypochlorite continues to be added as an oxidizer on an as-needed basis to the influent flow, with staff monitoring performance (also a recommendation by Mr. McEwen).

**3.0 Landscaping**

The District's landscaping contractor Cagwin and Dorward (C&D) continues to work on as directed on vegetation at the District's fence-line on Lea Drive and at the northeast corner area of the NTP. The redwood trees replanted to the northeast corner of the plant site in late February/early March, are being irrigated with recycled water and seem to be doing well. Staff will continue to monitor the landscaping, and evaluate the potential for additional tree plantings, in this area of the plant site.

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**Novato Sanitary District  
Wastewater Operations Committee meeting  
Collection System Operations Report  
May 2015**

**1.0 General:**

The equivalent of 5.1 full time employees (FTE) worked in the Collection System Department during the month of May, 2015. The breakdown of staff time for the month in terms of equivalent full-time employee hours utilized, works out approximately as follows:

- 1.7 FTE field workers for Sewer Maintenance (main line cleaning)
- 1.1 FTE field workers for Pump Station Maintenance
- 0.4 FTE field workers for Closed Circuit Television (CCTV) work
- 1.9 FTE field workers for time spent on data input, training, service calls, overflow response, or any other activity that does not directly relate to main line cleaning, CCTV work or pump station maintenance, and

An equivalent of 1.8 FTE field workers were on vacation, sick leave or on Holiday.

**2.0 Collection System Maintenance:**

Performance metrics for the department are presented in the attached graphs showing the length of line cleaned/month, footage cleaned/hour worked, overflows/month, and the CCTV footage achieved. A brief discussion is also provided below.

Line Cleaning Performance:

A total of 466 work orders were generated for May by the ICOM3 Computerized Maintenance Management System (CMMS). Staff completed 449 work orders leaving 17 work orders outstanding. The 466 maintenance work orders completed in April resulted in 72,416 feet of sewer pipelines cleaned by staff. Of the 17 outstanding work orders, 10 of the work orders for hydro-flushing and 7 of the work orders are for rodding, all of which will be completed in June.

CCTV Performance:

The District's CCTV van was in the field for approximately five (5) working days inspecting 47 line segments totaling 7,661 feet (ICOMMM). Staff also televised seven (7) line segments totaling 1,842 using the Push Cam. The CCTV equipment was also used at the Reclamation facility to track down a water leak.

CCTV Findings:

- Infrastructure related: The May CCTV work found three line segments that will require spot repairs.
- O&M related: The May CCTV work did not identify any areas that require a change in sewer line operations.

**Novato Sanitary District  
Wastewater Operations Committee meeting  
Collection System Operations Report  
May 2015**

**3.0 Pump Station Maintenance:**

The Collection System Department conducted 267 lift station inspections this month. 143 of the inspection visits were generated through the District's JobsCal Plus CMMS system. There are 16 outstanding work orders for the month that will be completed in June. A Collection Systems (Pump Stations) Work Order Statistics summary is attached.

In addition to normal maintenance activities, District staff performed the foillowing:

- Cleaned out the wet well at Vintage Oaks Pump Station No. 1 after the pumps became clogged with grit.
- Removed Pump No. 1 at Bel Marin Keys Pump Station No. 10 after a seal failure resulted in oil in the motor. The pump was replaced by District staff after it was returned from the repair shop.

**4.0 Air Relief/Vacuum Valves (ARVs):**

Staff completed maintenance inspections on five (5) air relief/vacuum valves.

**5.0 Safety and Training:**

General:

Collection System staff attended four safety tailgate meetings.

Specialized training:

Collection System staff attended Heat Illness and PPE training during May.

Safety performance:

There were no lost time accidents this month for a total of 1,538 accident free days since the last lost time accident.

**6.0 Minor Projects:**

The District did not complete any repair projects under the informal contract provisions of the Uniform Public Construction Cost Accounting Act (UPCCAA) this month.

District staff assisted Veolia with cleaning out a Primary Clarifier this month

**7.0 Standard Operating Procedures (SOPs):**

No new core SOPs were identified, and as development of lower priority SOPs is being balanced against workload priorities, department staff did not generate any new SOPs in May. However, on a related track, staff recently completed a draft of a Core Competency Checklist to use to track training of Collections Department employees.

**Novato Sanitary District  
Wastewater Operations Committee meeting  
Collection System Operations Report  
May 2015**

The draft checklist is being used to track the initial training of a recently hired employee, and lessons learned will be incorporated in the final version. Staff will now develop a similar draft checklist to use for tracking annual checks of Collections Department employees to determine where annual training is necessary.

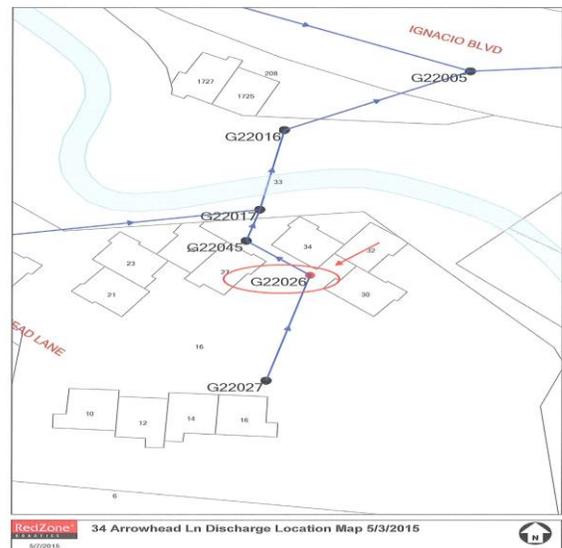
**8.0 Sanitary Sewer Overflows (SSOs):**

There was one (1) SSO in May.

No.	Date	Location	Amount, gal	Cause/Probable Cause
1.	5/3/2015	34 Arrowhead Ln.	<5	Root Intrusion/Debris

1. SSO at 34 Arrowhead Ln.: This event was determined to be a Category III event due to the low volume, estimated at five (5) gallons or less, and the discharge did not reach a storm drain. District staff used eyewitness interviews, visual estimation, and pictures taken during cleanup activities to determine the duration and volume of this event.

On Thursday, May 3, 2015 at 20:15, Aaron Hendricks, CSW I, received a call from the Novato Police Department reporting a possible overflow at 34 Arrowhead Ln. Aaron notified Tim O'Connor, Collection System Superintendent, and then called for a backup employee. Aaron was able to contact Joe Moreno, CSW I and asked him to respond to the discharge location. Aaron got the hydro-flusher and went to the reported overflow site. Tim contacted Steve Krauthem, Field Services Manager to notify him of the potential discharge and then responded to the site.



Aaron and Joe arrived on site at 21:10 and found manhole G22026 (overflow manhole) surcharged, but not overflowing. This manhole is located below grade in a recessed area next to the walkway leading to 34 Arrowhead Ln. The recessed condition resulted in the discharge being fully contained on top of the manhole structure. They looked for the downstream manhole (G22045) but were unable to immediately locate the manhole because it was buried. Aaron and Joe located the next downstream manhole (G22017) and noted active flow in the channel indicating a partial stoppage. While attempting to clear the stoppage, Aaron and Joe got the nozzle stuck in the buried manhole causing a delay in relieving the stoppage.

**Novato Sanitary District  
Wastewater Operations Committee meeting  
Collection System Operations Report  
May 2015**

Tim arrived at the site at approximately 21:20, located the buried manhole and assisted onsite staff in clearing the blockage. Aaron and Joe relieved the stoppage at 22:10 and then began cleanup operations. Staff determined that the cause of this discharge was the result of a root mass growing through the base joint in manhole G22026, trapping debris in the manhole channel and causing intermittent weeping.

Prior to Tim's arrival, Aaron interviewed the reporting party, Roland (no last name given) and was told that the manhole only overflowed when he used his washing machine, establishing that this was an intermittent event. Roland's son reported seeing water on the discharge manhole lid at approximately 16:00 and told his father, but Roland did not report the problem to Novato Police Department until 20:15 that night. No other residents noticed the discharge. Based on this interview, Tim estimated a start time of 16:00, and an estimated discharge volume of less than five (5) gallons based on the visual evidence of discharge around the manhole.



The initial determination was that this was a Category III event because the overflow water soaked into the ground around the manhole, was very low volume, and did not reach a storm drain or waterway.

This line segment was last cleaned on schedule on June 12, 2012 using a hydro-flusher and was on a thirty-six (36) month cleaning frequency. CCTV inspection following the discharge event showed the line segment to be clear and without any structural defects or other problems. Manhole G22026 will be added to the Chemical Root Abatement Program for FY 2014/15.

This event was reported into the CIWQS database on May 6, 2015 as a Category III event, SSO Event ID # 815083 and was certified in CIWQS on May 11, 2015, Certification ID # 857353.

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Novato Sanitary District  
Collection System Monthly Report For May 2015 (as of May 31, 2015)

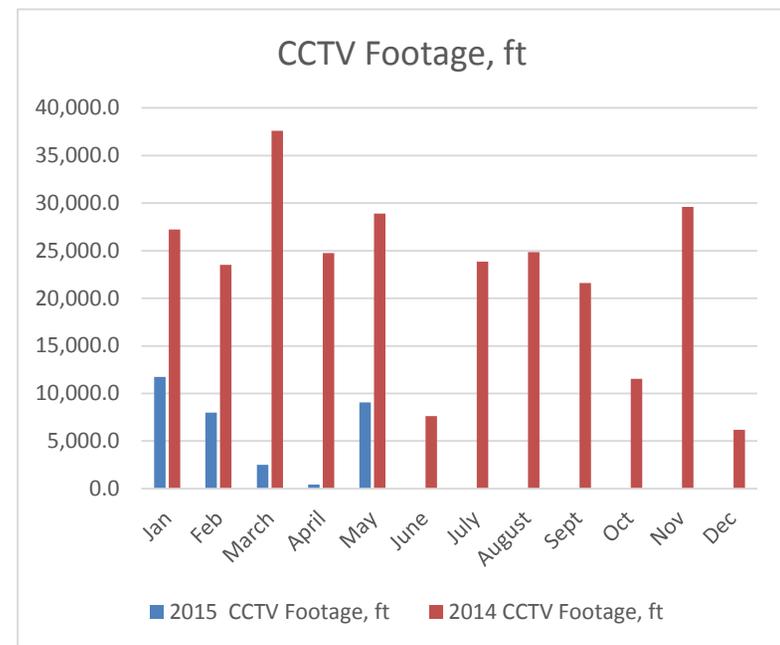
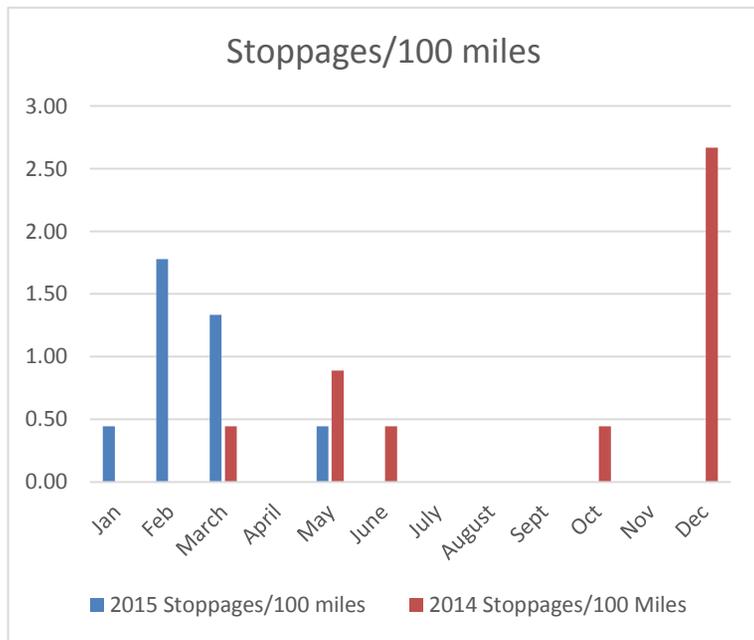
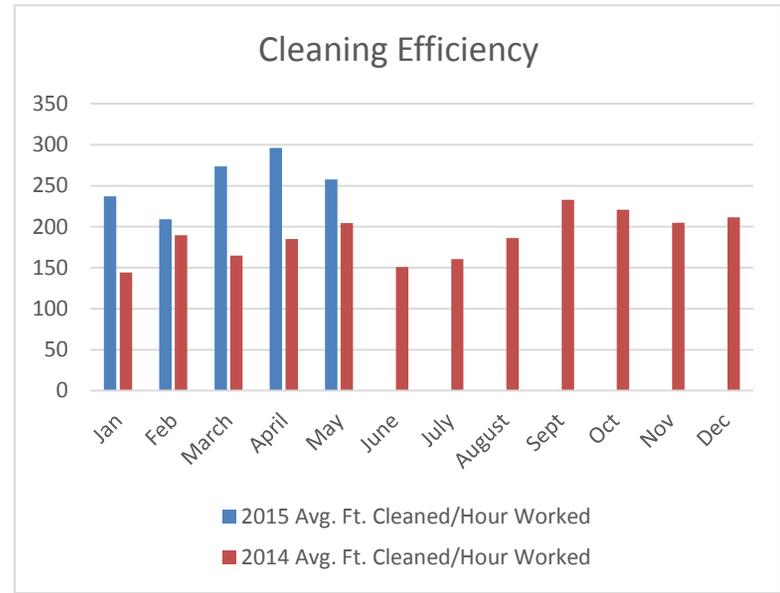
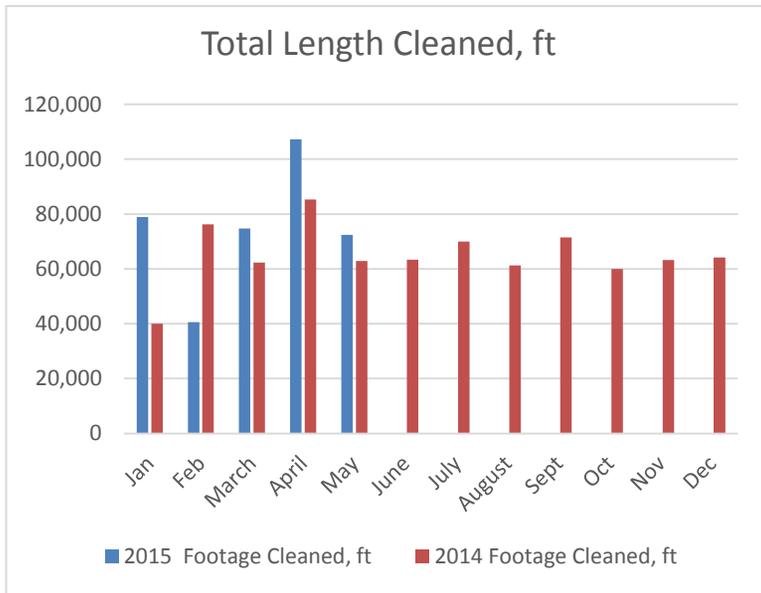
	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec	Total Year to Date	Average Year to Date
<b>A. Employee Hours Worked</b>														
Number of FTEs (main line cleaning), hrs.	1.9	1.2	1.5	2.2	1.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.7
Number of FTEs (other)	1.6	2.1	1.8	2.0	1.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.8
Number of FTEs (CCTV)	0.1	0.2	0.0	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	0.1
Total, FTEs	3.6	3.5	3.4	4.2	4.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	NA	1.6
Regular Time Worked, (main line cleaning), hrs	333	194	273	363	281									
Regular Time Worked on Other, hrs (1)	281	329	320	341	312									
Regular Time Worked on CCTV (2)	15	36	4	0	71									
Total Regular time, worked, hrs	628	559	597	703	663	0	0	0	0	0	0	0	3,149	262
Total Vacation/Sick Leave/Holiday, hrs	403	356	271	277	307								1,612	322
Vacation/Sick Leave/Holiday, FTEs	2.3	2.2	1.5	1.6	1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	9.5	0.8
Overtime Worked on Coll. Sys., hrs	3	0	16	3	7								28	6
Overtime Worked on Other, hrs (1)	14	45	31	19	15								123	25
Overtime Worked on CCTV (2)	0	0	0	0	4								4	1
Total Overtime, hrs	17	45	46	22	25	NA	NA	NA	NA	NA	NA	NA	155	31
<b>B. Productivity</b>														
<b>1. Line Cleaning</b>														
Rodder Work Orders generated	90	31	42	23	11								197	39
Rodder 3208 ft. cleaned	15,611	6,776	7,657	3,885	2,857								36,786	7,357
Rodder - outside services, ft cleaned	0	0	0	0	0								0	0
Flusher Work Orders generated	340	183	388	543	455								1,909	382
Truck 3205V ft. cleaned	107	4,165	2,352	22,584	18,806								48,014	9,603
Truck 3206V ft. cleaned	63,145	29,612	64,665	80,792	50,753								288,967	57,793
Flusher - outside services, ft. cleaned	1,349	553	0	127	0								2,029	
Total Footage cleaned(3)	78,863	40,553	74,674	107,261	72,416	NA	NA	NA	NA	NA	NA	NA	373,767	74,753
Work Orders completed	416	198	397	551	449								2,011	402
Work Orders backlog	14	16	33	15	17	NA	NA	NA	NA	NA	NA	NA	95	19
<b>2. Closed Circuit Television (CCTV)</b>														
Camera Work Orders generated	0	0	0	0	0								0	
CCTV Truck 3126T, ft. videoed	3,998	6,622	1,795	303	7,211								19,929	3,986
CCTV (hand cam), ft. videoed	6,378	806	706	0	1,842								9,732	
CCTV Inspection - outside services, ft. videoed	1,349	553	0	127	0								2,029	
Total CCTV footage(3)	11,725	7,981	2,501	430	9,053	NA	NA	NA	NA	NA	NA	NA	31,690	
<b>C. Sanitary Sewer Overflows (SSOs)</b>														
Minor (Category III)	1	4	3	0	1								9	NA
Major (Category II)	1	1	1	0	1								4	NA
Major (Category I)	0	0	0	0	0								0	NA
Major (Category I)	0	3	2	0	0								5	NA
Overflow Gallons	126	2,419	1,603	0	5								4,153	NA
Volume Recovered	0	0	98	0	0								98	NA
Percent Recovered	0%	0%	6%	NA	0%	NA	NA	NA	NA	NA	NA	NA	2%	NA
<b>D. Service Calls (non-SSO related)</b>														
Service calls, normal hours, #	10	11	7	2	5								35	7
Normal hours S.C. response time, mins (avg.)	22	20	15	10	25								92	18
Service Callouts, after hours, #	1	1	1	1	1								5	1
After Hours S.C. response time, mins (avg.)	33	35	40	7	40								155	31
<b>E. Benchmarks</b>														
Average Ft. Cleaned/Hour Worked	237	209	274	296	258	NA	NA	NA	NA	NA	NA	NA	NA	255
Total Stoppages/100 Miles	0.4	1.8	1.3	0.0	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3.9	NA
Average spill response time (mins)	28	5	22	0	55								NA	22
Callouts/100 Miles	0.4	0.4	0.4	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.2	0.2
Overtime hours/100 Miles	1	0	7	1	3	0	0	0	0	0	0	0	12.22	1
Overflow Gallons/100 Miles	55	1052	697	0	2	0	0	0	0	0	0	-	1,806	150

(1) This category includes time spent on: Data input, Training, Service Calls, Overflow Response, as well as any other activity that does not directly relate to main line cleaning or CCTV work.

(2) This category separates time spent on CCTV from other Collection System maintenance activities.

(3) Does not include outside services (tracked separately)

# Collection System 2014-15 Graphs





**COLLECTION SYSTEM (Pump Stations)  
WORK ORDER STATISTICS  
May 1, 2015 - May 31, 2015**

	<b>Open Work Orders Due Prior to 5/1/2015</b>	<b>Open Work Orders 5/1/2015 - 5/31/2015</b>	<b>Total Open Work Orders</b>
Preventive	9	143	152
Corrective	7	0	7
Total	16	143	159

	<b>Closed Work Orders 5/1/2015 - 5/31/2015</b>
Preventive	143
Corrective	0
Total	143

<b>Total Outstanding Work Orders as of 5/31/2015</b>	<b>16</b>
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**NOVATO SANITARY DISTRICT  
Wastewater Operations Committee Meeting  
Reclamation Facilities Report  
May 2015**

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**1.0 Summary:**

The rancher continues to harvest pasture grass this month. Repairs were made on the irrigation control system on Site 7. The leak on the Wildlife Pond Feed Line was located and repair parts were ordered and received; installation will occur in June. There were no sludge handling activities this month.

**2.0 Ranch Operations:**

The rancher's hay farmer continued to harvest pasture grass through May. Cut pasture grass was baled on all remaining Parcels on Site 7. Bales were picked up and stacked except for bales in Parcels 71, 72 & 73. The hay farmer completed cutting and baling pasture grass on Site 3. Bales were removed from all Parcels except Parcel 8. Pasture grass was cut in Parcel 21 as well.

Staff flushed the irrigation system in Parcels 76 & 77 after the rancher removed the sprinkler heads last month. Sprinkler heads were replaced after flushing.

**3.0 Irrigation Parcels:**

After the pasture grass was cut on Site 7 staff found a pull box on the irrigation control system knocked off its conduit risers, most likely by grazing cattle last fall (see photo at right). The pull box was subsequently replaced by a local electrical contractor. New protective corral fence panels have been ordered to replace the rotten enclosure.



District staff carried out troubleshooting activities for the control system on Site 7 this month; a tripped breaker was found earlier this year indicating a problem somewhere in the control system. Staff found a short in a wire run in Parcel 74 so new wire for the conduit run was purchased and subsequently installed by staff and a local electrical contractor. The short was caused by a failed in-line splice.



The District began some sporadic irrigation this month on Sites 3 & 7 to exercise the control system to identify any additional trouble spots. Irrigation began on Parcels 34, 35, 36 & 37 on Site 3 and on Parcel 75 & 78 on Site 7.

Sacrificial anodes were replaced for the cathodic protection system at Site 7 after the pasture grass was cut, baled and removed from Parcel 78 (see photo at left). The previous (originally installed) anodes failed late last year.

The Drainage Pump Stations pumped approximately 90,000 gallons of rainwater in the early part of May before being shut down for the season.

**NOVATO SANITARY DISTRICT  
Wastewater Operations Committee Meeting  
Reclamation Facilities Report  
May 2015**

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**4.0 Irrigation Pump Station:**

Work continued on finding the leak on the Wildlife Pond Feed line. A new valve was installed near the end of the pipeline at the Wildlife Pond to isolate the Pond from the pipeline. The line was pressurized and a potential leak was identified along the road between the valve and the Irrigation Pump Station. The pipeline was excavated at this location and no obvious leak was found. The pipeline was cut and tested in both directions to narrow down the leak location. After the test was complete the District inspected the leaking section by video camera and found that a 90 degree bend in the line was cracked. Parts were ordered to replace the 90 degree bend and were received at the end of the month. Work will commence to replace the 90 degree bend in June.

Approximately 7.86 MG of treated water was used for irrigation this month.

**5.0 Sludge Handling & Disposal:**

There was no sludge handling activity this month.

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**NOVATO SANITARY DISTRICT**  
**Reclamation Facility - Monthly Statistics for Calendar Year 2015, as of May, 2015**

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year to Date	Annualized Monthly Average
<b>Irrigation Pump Station</b>														
Plant flow to ponds (MG)		0	0	0	0	0							-	0.00
Irrigation (MG)		0	0	0.0	0.09	7.86							8.0	0.66
Irrigation Pump 1 Hours				0.3	17.2								17.5	1.46
Irrigation Pump 2 Hours				0.1	16.7								16.8	1.40
Irrigation Pump 3 Hours				0.1	15.2								15.3	1.28
Washdown Water Pump Hours				0	0								-	0.00
Wildlife Feed Pump Hours			331.5	51.6	0								383.1	31.93
Water Circulated through Wildlife Pond (MG)	0	0	20.88	3.25	0	0	0	0	0	0	0	0	24.1	2.01
Strainer No. 1 Hours				0.2	6.3								6.5	0.54
Strainer No. 2 Hours				0	6.3								6.3	0.53
Pond 1 Gauge @ Beginning of Month	5.4	5.4	5.6	5.4	5.4									
Pond 1 Gauge @ End of Month	5.4	5.6	5.4	5.4	4.9									
Pond 1 Gallons Stored @ End of Month(MG)	39.2	41	39.2	39.2	35.2									
Pond 2 Gauge @ Beginning of Month	5.5	5.5	5.7	5.5	5.5									
Pond 2 Gauge @ End of Month	5.5	5.7	5.5	5.5	5									
Pond 2 Gallons Stored @ End of Month(MG)	52	54	52	52	47									
Total Irrigation Water Stored	91.2	95	91.2	91.2	82.2	0	0	0	0	0	0	0		
<b>Drainage Pump Station No. 3</b>														
Drainage Pump No. 1 Hours	0	133.1	2.4	1.2	0									
Drainage Pump No. 2 Hours	0	0	2.1	0.1	0									
Drainage Pump No. 3 Hours	100.3	127.1	0.6	2.7	0									
Total Gallons Stormwater Pumped (MG)	30.09	78.06	1.53	1.2	0	0	0	0	0	0	0	0	110.88	9.24
<b>Drainage Pump Station No. 7</b>														
Drainage Pump No. 1 Hours	331.6	46.2	13.3	0.2	0.1									
Drainage Pump No. 2 Hours	0	0	0	0	0									
Drainage Pump No. 3 Hours	0	1.5	2.7	7.5	0.1									
Total Gallons Stormwater Pumped (MG)	149.22	21	7	3.47	0.09	0	0	0	0	0	0	0	181.44	15.12

# NOVATO SANITARY DISTRICT WASTEWATER OPERATIONS COMMITTEE AGENDA ITEM SUMMARY

<b>TITLE: Wastewater Operations Committee: FY15-17 Preliminary Operating Budget</b>	<b>MEETING DATE: June 15, 2015</b>  <b>AGENDA ITEM NO.: 7.a.</b>
<b>RECOMMENDED ACTION: Review FY15-17 proposed Preliminary Operating budget, and subject to minor changes and edits, recommend its adoption by the Board of Directors.</b>	
<b>SUMMARY AND DISCUSSION:</b>  At the June 8, 2015 Board meeting, staff presented the District’s preliminary Budget for Fiscal Years 2015-17 to the Board. Separately, staff reviewed the preliminary Solid Waste budget with the Solid Waste Committee, and will be reviewing the preliminary Capital Improvement Program (CIP) budget with the Strategic Planning and New Facilities Committee. The Solid Waste Committee has recommended adoption of the Solid Waste budget to the full Board, and it is hoped that the Operations and New Facilities Committees will do the same for the Operating and CIP budgets, respectively.  The relevant elements of the preliminary Operating Budget are attached for review by the Wastewater Operations Committee. Staff suggests that the Committee review these items, and subject to minor changes and edits, recommend the preliminary Operating Budget for adoption by the full Board at its June 22, 2015 meeting.	
<b>DEPT. MGR.: ssk</b>	<b>MANAGER-ENGINEER: SSK</b>

**SECTION II**

**OPERATING BUDGET SUMMARY SCHEDULES**

**Novato Sanitary District  
2015-17 Preliminary Operating Budget  
Revenue Summary**

	Budget 13/14	Budget 14/15	Est Rev 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
41010 · Sewer Service Charges (1)	8,506,680	8,776,815	8,710,000	9,121,520	9,136,720
41030 · Plan Check & Inspection Fee	500	500	6,000	500	500
41040 · Permit & Inspection Fee	7,500	6,000	7,500	6,000	6,000
41060 · Interest Income	15,000	15,000	18,000	18,000	18,000
41080 · Engineering & Admin Charges	165,000	165,000	165,000	165,000	165,000
41090 · Non-domestic Permit Fees (2)	26,183	25,000	25,000	25,000	15,000
41100 · Garbage Franchise Fees	48,602	49,768	49,768	50,962	52,186
41105 · AB 939 Collector Fees	297,586	297,586	297,586	342,621	342,621
41107 · Oil/Bev/Tire Grants (3)	50,234	50,187	60,000	59,880	59,880
41130 · Ranch Income	70,000	70,000	70,000	70,000	70,000
41135 · Recycled Water Revenue	75,000	116,000	75,000	111,000	108,000
41140 · Other Revenue (4)	40,000	20,000	20,000	20,000	20,000
41142 · Loss on disposal of assets	10,000	10,000	20,000	10,000	10,000
<b>Totals</b>	<b>9,312,285</b>	<b>9,601,856</b>	<b>9,523,854</b>	<b>10,000,483</b>	<b>10,003,907</b>

**Comments:**

- (1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 25, 2012 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:
  - For 2015/16 the charge is \$552 split between operations(\$304) and capital (\$248).
  - For 2016/17 the charge remains at \$552 split between operations(\$304) and capital(\$248).
- (2) Includes application fees, permits and monitoring charges.
- (3) Oil/Bev/Tire Grants \$28,896/ JPA Reimb Fees \$30,984.
- (4) Other revenue includes septic tank hauling fees, and miscellaneous revenue.

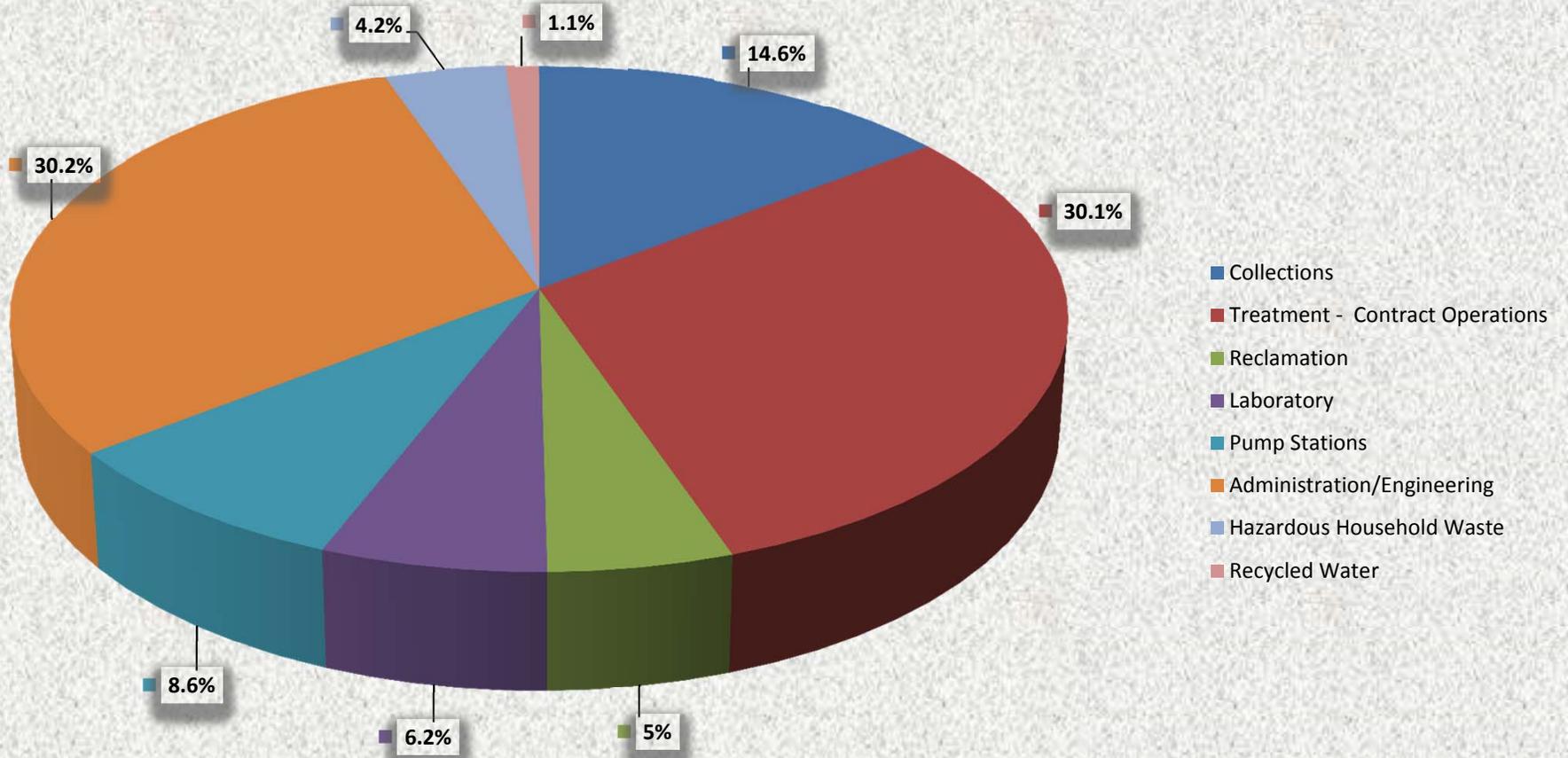
**APPROPRIATIONS LIMITATION**

The appropriations limitation, pursuant to Article XIII B of the California Constitution, will be determined prior to submission of the final budget in August.

**Novato Sanitary District  
2015-17 Preliminary Budget  
Operating Budget - Summary of Expenditures**

	Budget 13/14	Budget 14/15	Est Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
<b>Collections</b>	1,316,424	1,389,859	1,262,110	1,408,761	1,402,003
<b>Treatment - Contract Operations</b>	2,699,200	2,827,499	2,811,004	2,918,041	3,044,531
<b>Reclamation</b>	534,268	484,649	439,490	492,380	520,839
<b>Laboratory</b>	685,376	593,829	584,229	601,633	637,767
<b>Pump Stations</b>	822,016	807,072	705,799	826,927	878,794
<b>Administration/Engineering</b>	2,766,336	2,818,610	2,405,676	2,919,770	2,989,295
<b>Hazardous Household Waste</b>	371,301	368,698	343,581	402,501	402,501
<b>Recycled Water</b>	108,000	116,000	114,500	111,000	111,000
	9,302,921	9,406,216	8,666,389	9,681,013	9,986,731

### Preliminary Operating Budget 2015-16 Expenditures by Cost Center



***SECTION III***

***OPERATING FUND BUDGET***

**Novato Sanitary District  
2015-17 Preliminary Budget  
Operating Budget - Collections**

Collections Cost Center - 60000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
60010 · Salaries & Wages	549,300	604,357	500,920	654,553	693,853
60020 · Employee Benefits	250,124	262,502	238,190	272,208	284,650
60060 · Gas, Oil & Fuel	30,000	28,000	28,000	28,000	28,000
60085 · Safety	5,000	2,000	2,000	7,000	3,500
60091 · Software Maint	20,000	25,000	25,000	25,000	20,000
60100 · Operating Supplies	30,000	30,000	30,000	30,000	30,000
60150 · Repairs & Maint	85,000	85,000	85,000	85,000	85,000
60152 · Small Tools	2,000	2,000	2,000	2,000	2,000
60153 · Outside Services	225,000	275,000	275,000	225,000	175,000
60192 · Water	7,000	8,000	8,000	12,000	12,000
60193 · Telephone	2,000	2,000	2,000	2,000	2,000
60200 · Other(Garbage Coll)	1,000	1,000	1,000	1,000	1,000
60201 · Permits & Fees	110,000	65,000	65,000	65,000	65,000
	<b>1,316,424</b>	<b>1,389,859</b>	<b>1,262,110</b>	<b>1,408,761</b>	<b>1,402,003</b>

**Novato Sanitary District  
2015-17 Preliminary Budget  
Operating Budget - Treatment Facilities Contract Operations**

Treatment Facilities - Contract Operations Cost Center - 61000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
61000-1 · Fixed Fee(1)	1,940,900	1,957,529	1,973,604	2,019,201	2,079,777
61000-2 · Insurance & Bonds(2)	50,600	42,570	10,000	12,700	14,000
61000-3 · Major Repr/Replacement	109,200	150,000	150,000	150,000	150,000
61000-4 · Water/Permits/Ph	65,000	90,000	90,000	90,000	90,000
61000-5 · Gas & Electricity(2)	533,500	587,400	587,400	646,140	710,754
	<b>2,699,200</b>	<b>2,827,499</b>	<b>2,811,004</b>	<b>2,918,041</b>	<b>3,044,531</b>

**Comments:**

(1) Fixed fee - 3% increase from prior year.

(2) Account 61000-5-Gas and Electricity, 10% increase based on actual expenditures for 2014/15.

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Reclamation**

Reclamation Cost Center - 63000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
63010 · Salaries & Wages	51,991	60,549	36,042	75,669	85,007
63020 · Employee Benefits	17,277	22,500	16,848	28,711	30,332
63060 · Gasoline & Oil	5,000	4,000	4,000	4,000	4,000
63085 · Safety	1,000	500	500	500	500
63091 · Software Maint	3,000	3,100	3,100	2,000	2,000
63100 · Operating Supplies	3,000	2,500	2,500	2,000	2,500
63115 · Sludge Disposal	190,000	200,000	185,000	190,000	195,000
63150 · Repairs & Maint	60,000	70,000	70,000	70,000	70,000
63151 · Unusual Equipment Maint	60,000	0	0	0	0
63152 · Small Tools	1,000	500	500	500	500
63157 · Ditch/Dike Maint	20,000	20,000	20,000	20,000	20,000
63191 · Gas & Electricity	110,000	90,000	90,000	90,000	100,000
63192 · Water	10,000	5,000	5,000	3,000	5,000
63201 · Permits & Fees	2,000	6,000	6,000	6,000	6,000
	<b>534,268</b>	<b>484,649</b>	<b>439,490</b>	<b>492,380</b>	<b>520,839</b>

**Novato Sanitary District  
2015-17 Preliminary Budget  
Operating Budget - Laboratory**

Laboratory Cost Center - 64000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
64010 · Contract Lab Services (1)	217,324	194,138	194,138	357,133	366,767
64020 · Employee Benefits	80,402	72,191	72,191	0	0
64060 · Gasoline & Oil	3,000	3,000	2,000	3,000	3,000
64085 · Safety	1,000	1,000	1,000	1,000	1,000
64091 · Software Maintenance	8,500	4,000	1,000	4,000	2,000
64100 · Operating Supplies	25,000	25,000	20,000	20,000	25,000
64150 · Repairs & Maintenance	10,000	9,500	9,500	10,500	7,000
64160 · Research & Monitoring	297,150	247,000	247,000	163,000	190,000
64170 · Pollution Prev/Public Ed	40,000	35,000	35,000	40,000	40,000
64201 · Permits & Fees	3,000	3,000	2,400	3,000	3,000
	<b>685,376</b>	<b>593,829</b>	<b>584,229</b>	<b>601,633</b>	<b>637,767</b>

**Comments:**

- (1) This account, previously titled "Salaries and Wages" is renamed to reflect fees paid for contract laboratory and environmental services provided by Veolia Water and NMWD.

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Pump Stations**

Pump Stations Cost Center - 65000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
65010 · Salaries & Wages	315,414	316,295	247,439	347,650	371,290
65020 · Employee Benefits	146,602	137,777	110,360	149,277	156,504
65060 · Gasoline & Oil	5,000	5,000	5,000	5,000	6,000
65085 · Safety	3,000	2,000	2,000	2,000	2,000
65091 · Software Maintenance	12,000	12,000	12,000	12,000	12,000
65100 · Operating Supplies	10,000	10,000	10,000	10,000	10,000
65101 · Operating Chemicals	45,000	30,000	30,000	15,000	20,000
65150 · Repairs & Maintnnce	115,000	115,000	115,000	110,000	115,000
65152 · Small Tools	2,000	1,000	1,000	1,000	2,000
65153 · Outside Services, Electric	45,000	40,000	35,000	32,000	35,000
65191 · Gas & Electricity	90,000	90,000	90,000	95,000	100,000
65192 · Water	5,000	7,000	7,000	7,000	8,000
65193 · Telephone	23,000	24,000	24,000	24,000	24,000
65201 · Permits & Fees	5,000	17,000	17,000	17,000	17,000
	<b>822,016</b>	<b>807,072</b>	<b>705,799</b>	<b>826,927</b>	<b>878,794</b>

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Administration**

Administration and Engineering Cost Center - 66000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
66010 · Salaries & Wages	1,007,722	983,222	864,845	1,098,396	1,231,864
66020 · Employee Benefits	402,036	375,733	308,177	448,114	476,150
66021 · Retiree Health Benefits	387,078	396,155	396,155	375,260	383,281
66030 · Director's Fees	45,000	45,000	45,000	43,000	43,000
66040 · Election Expense	0	0	0	50,000	0
66060 · Gasoline & Oil	9,000	10,000	10,000	10,000	11,000
66070 · Insurance	129,000	186,000	120,000	135,000	142,000
66071 · Insurance Claim Expense	45,000	45,000	40,000	40,000	40,000
66075 · Agency Dues	46,000	60,000	46,000	46,000	47,000
66080 · Memberships	8,000	8,500	8,500	9,000	9,500
66085 · Safety	1,000	1,000	1,000	2,000	1,500
66090 · Office Expense	27,000	29,000	29,000	25,000	30,000
66100 · Engineering Supplies	9,000	9,000	9,000	8,000	9,000
66121 · Accounting & Auditing	22,500	18,000	18,000	24,000	28,000
66122 · Attorney Fees	140,000	120,000	50,000	90,000	50,000
66123 · O/S Contractual (2)	235,000	275,000	229,000	269,000	230,000
66124 · IT/Misc Electrical	40,000	40,000	40,000	36,000	40,000
66125 · Safety & Wellness Incentive Prog	0	0	0	10,000	10,000
66130 · Printing & Publications	18,000	22,000	22,000	22,000	22,000
66150 · Repairs & Maintenance	40,000	45,000	42,000	40,000	42,000
66170 · Travel, Meetings & Training	70,000	70,000	50,000	55,000	60,000
66193 · Telephone	15,000	15,000	10,000	10,000	10,000
66202 · County Fees-Property Taxes	33,000	25,000	27,000	27,000	26,000
66203 · County Fees-Sewer Ser Chg	32,000	35,000	35,000	42,000	42,000
66250 · Service Charge Sys Exp	5,000	5,000	5,000	5,000	5,000
	<b>2,766,336</b>	<b>2,818,610</b>	<b>2,405,676</b>	<b>2,919,770</b>	<b>2,989,295</b>

Novato Sanitary District						
Preliminary Operating Budget 2015-17						
PERSONNEL DETAIL						
Number	Position	Dept.	Pay Range	Total		
				2014-15 Salaries	2016-17 Salaries	
1.00	Manager-Engineer.....	A/E		190,764	197,441	
1.00	Technical Services Manager.....	A/E	MC119	121,800	151,276	
1.00	Field Services Manager .....	.25AE/.25CS/.25PS/.25Rec	MC119	146,160	151,276	
1.00	Senior Engineer.....	.75AE/.25PS	MC116.5	129,432	133,962	
0.46	Administrative Services Specialist .....	A/E	MC117.5	62,726	64,922	
1.00	Administrative Services Officer	A/E	MC115	85,896	124,463	
1.00	Administrative Assistant .....	A/E	MC103	43,380	62,858	
1.00	Administrative Secretary.....	A/E	MC106	77,520	80,233	
1.00	Finance Officer.....	A/E	MC115	114,528	124,463	
1.00	Project Specialist	.25AE/.25CS/.25PS/.25Rec	MC112.5	68,985	99,959	
1.00	Staff Engineer.....	.5A/E/.5CS	47	98,940	102,403	
1.00	Construction Inspector.....	A/E	44.5	87,600	90,666	
1.00	Information System Specialist II.....	.5A/E/.5CS	43.5	83,424	86,344	
1.00	Environmental Services Supervisor...(Note 1)	L/M	MC115.5	-	-	
1.00	ECA II...(Note 1)	L/M	45.5	-	-	
1.00	Collection System Superintendent.....	.67CS/.33PS	MC115	120,252	124,461	
1.00	Collection System Leadworker.....	.67CS/.33PS	47	98,940	102,403	
1.00	Collection System Worker III.....	.67CS/.33PS	43.5	83,424	86,344	
1.00	Collection System Worker II.....	.67CS/.33PS	40.5	72,072	74,595	
5.00	Collection System Worker I.....	.67CS/.33PS	38.5	291,980	317,309	
1.00	Admin Intern	A/E	N/A	8,640	9,000	
1.00	Engineering Aide - temp	A/E	N/A	10,080	11,000	
0.40	Hourly Electrician	.25AE/.25PS/.50Rec	N/A	40,000	40,000	
	Allowance for Overtime.....	C/S		35,000	35,000	
	Allowance for Overtime.....	A/E		7,500	7,500	
	Allowance for Standby Duty Pay.....	C/S		28,000	28,000	
	Subtotal			2,107,043	2,305,877	
	Allowance for Possible COLA - across the board ....	3.50%		69,224	76,138	
				2,176,267	2,382,015	
25.86	Administration and Engineering (A/E)		1,098,396	1,231,864		
Note 1:	Laboratory and Monitoring (L/M)		-	-		
	Collection System	67%	654,553	693,853		
	Pump Stations	33%	347,650	371,290		
	Reclamation Facilities		75,669	85,007		
	Total/Check		2,176,267	2,382,015		
Note 1:	Work for these positions now performed through contract services with Veolia Water and NMWD.					

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Hazardous Household Waste**

HHW Cost Center - 67000			Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
	Budget 13/14	Budget 14/15			
<b>67400 · Management Services</b>	119,264	130,161	90,555	131,464	131,464
<b>67500 · Household Hazardous Wst</b>	187,500	164,000	201,500	211,500	211,500
<b>67530 · Used Oil Grant</b>	5,000	11,963	11,013	11,269	11,269
<b>67530-1 Beverage Container Grant</b>	22,537	10,574	11,013	11,268	11,268
<b>67540 · Education/Public Outreach</b>	22,000	37,000	16,000	22,000	22,000
<b>67600 · Other</b>	5,000	5,000	3,500	5,000	5,000
<b>67610 · City AB 939 Admin Service</b>	10,000	10,000	10,000	10,000	10,000
	<b>371,301</b>	<b>368,698</b>	<b>343,581</b>	<b>402,501</b>	<b>402,501</b>

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Recycled Water**

Recycled Water Cost Center - 68000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
68010 · O & M Services	50,000	50,000	50,000	50,000	50,000
68100 · Operating Supplies	2,000	3,000	2,500	2,000	2,000
68101 · Operating Chemicals	20,000	34,000	26,000	26,000	26,000
68150 · Repairs & Maintenance	25,000	18,000	25,000	22,000	22,000
68191 · Gas & Electricity	10,000	10,000	10,000	10,000	10,000
68201 · Permits & Fees	1,000	1,000	1,000	1,000	1,000
	<b>108,000</b>	<b>116,000</b>	<b>114,500</b>	<b>111,000</b>	<b>111,000</b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

**TITLE: Strategic Planning and New Facilities Committee – June 2015.**

**MEETING DATE: June 22, 2015**

**AGENDA ITEM NO.: 7.b.**

**RECOMMENDED ACTION:** Receive report and accept recommendation to adopt preliminary Capital Improvements Program (CIP) Budget for FY15-17.

**SUMMARY AND DISCUSSION:**

The Strategic Planning and New Facilities Committee packet for the meeting of June 17, 2015 is attached. A brief summary is provided below.

**Strategic Items, FY15-17:**

The Committee discussed a number of strategic items relating to the District's FY15-17 budget and how they would factor into the District's capital spending strategy for FY15-17.

Items discussed included the Hamilton Wetlands/Outfall reconfiguration study, potential District related North Bay Water Reuse Authority (NBWRA) projects and related funding opportunities, FY15-16 Collection System Improvements, the Novato Treatment Plant (NTP) site demolition work, and the potential expansion of the Recycled Water Facility (RWF) at the NTP site.

There was also a brief discussion of potential options for future cogeneration and internally generated power projects, including solar panels. Items discussed included the intent of the FY15-17 budgeted amount for this project account, and potential implementation strategies such as collaborations with other public and/or private entities.

**Capital Improvements Program (CIP) Budget:**

Staff reviewed the preliminary FY15-17 Capital Budget with the Committee. The Committee unanimously agreed to recommend the preliminary FY15-17 Capital Budget for adoption by the full Board of Directors at the Board's June 22, 2015 meeting.

**DEPT.MGR.:** srk, ssk

**MANAGER-ENGINEER:** SSK

## NOVATO SANITARY DISTRICT

June 17, 2015

**The Strategic Planning and New Facilities Committee of Novato Sanitary District will hold a meeting at 3:00 PM, Wednesday, June 17, 2015, at the District offices, 500 Davidson Street, Novato.**

### AGENDA

- 1. AGENDA APPROVAL:**
- 2. PUBLIC COMMENT (PLEASE OBSERVE A THREE-MINUTE TIME LIMIT):**

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Board at this time as a result of any public comments made.
- 3. APPROVAL OF MINUTES:**
  - a. Approve minutes from the June 11, 2014 committee meeting.
- 4. REVIEW OF STRATEGIC ITEMS, FY15-17**
  - a. Hamilton Wetlands/Outfall study.
  - b. North Bay Recycled Water Authority (NBWRA).
  - c. Collection System Improvements.
  - d. Novato Treatment Plant (NTP) site demolition.
  - e. RWF Expansion.
- 5. ANNUAL CAPITAL IMPROVEMENTS PROGRAM (CIP) BUDGET:**
  - a. Review FY15-17 proposed preliminary CIP budget, and subject to minor changes and edits, recommend its adoption by the Board of Directors.
- 6. OTHER ITEMS:**
- 7. ADJOURNMENT:**

***In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.***

***Materials that are public records and that relate to an open session agenda item will be made available for public inspection at the District office, 500 Davidson Street, Novato, during normal business hours.***

June 11, 2014

The Strategic Planning and New Facilities Committee of the Novato Sanitary District held a meeting at 10:10 a.m., Wednesday, June 11, 2014, at the District Offices, 500 Davidson Street, Novato.

COMMITTEE MEMBERS PRESENT: Members Gary Butler and William Long.

STAFF PRESENT: Manager-Engineer-Secretary Sandeep Karkal and Administrative Services Specialist June Brown.

AGENDA APPROVAL: The agenda was approved as presented.

PUBLIC COMMENT: None.

MINUTES: The composition of the committee has changed since the last meeting; however, there were no objections to the minutes of the December 16, 2013 committee meeting and the minutes were approved as written.

STRATEGIC ISSUES, FY 14-16:

- a. Hamilton Wetlands/Outfall Study: Manager-Engineer Sandeep Karkal gave a Power Point presentation focusing on the Hamilton Wetlands/Outfall Study. He reported that the District is working with the State Coastal Conservancy in developing studies to examine alternatives for long-term integration of the District's outfall into the Coastal Conservancy's Hamilton Wetlands project. The potential for using the District's effluent as a long-term fresh water source to supply and maintain a brackish marsh habitat with the Wetlands project is one of the alternatives under consideration.
- b. North Bay Water Reuse Authority (NBWRA): The committee discussed potential District-related NBWRA projects and associated funding opportunities. Also discussed was the relationship between the NBWRA and Hamilton Wetlands projects.
- c. Novato Creek Watershed Study: The committee discussed the Novato Creek Watershed Study and its funding possibilities. The Novato Watershed Program is working with the City of Novato, Novato Sanitary District, and North Marin Water District to determine the most beneficial projects if a bond issue is considered. It was noted that the Watershed Study is still in preliminary stages.
- d. Old plant demolition and new Maintenance Building construction: Manager-Engineer Sandeep Karkal reported that it is proposed to bid the demolition of existing plant elements as a separate project, followed by construction of the new building at a later date. At the next Board meeting of June 23, 2014, a contract for RMC for the

design and demolition work will be presented. Member Long stressed the importance of consideration for District neighbors during the project.

CAPITAL IMPROVEMENTS PROGRAM (CIP) BUDGET:

- a. Preliminary CIP expenditure projection 2011-16: The committee reviewed 5-year (2011-16) projections for Capital Improvement Projects. The 5-year projection, including loan principal and interest payments, is \$63,579,914.
- b. FY 14-15 and FY 15-16 proposed preliminary CIP budget: Committee Members noted that more than \$1.4 million has been budgeted for 2014-15 for Collection System Improvements and only \$30,000 for the Lateral Replacement Program. Manager-Engineer Sandeep Karkal indicated that \$20,000 will be added to the Lateral Replacement Program budget, for a total of \$50,000. The adjustment will be made prior to adoption of the final budget in August.

Member Long asked about account no. 72708 – Cogeneration project. Manager-Engineer Sandeep Karkal responded that funds are not available at this time to undertake a co-generation project. He elaborated that the District produces enough gas to meet about 40% of power needs, but that facilities run solely on digester gas do not operate very efficiently. Further discussion followed, and it was suggested that staff explore the possibility of a joint project with Veolia Water who is experienced in setting up co-generation facilities, as part of a longer-term effort. In response to a question by Member Butler, the Manager-Engineer responded that without a full study, it is would be difficult to predict how many years it would take to realize payback on investment for co-generation facilities.

ADJOURNMENT: The meeting was adjourned at 11:45 a.m.

Respectfully submitted,

\_\_\_\_\_  
Sandeep Karkal  
Secretary

June Brown, Recording

# NOVATO SANITARY DISTRICT STRATEGIC PLANNING & NEW FACILITIES COMMITTEE AGENDA ITEM SUMMARY

<b>TITLE: New Facilities Committee: Annual Capital Improvements Program (CIP) Budget.</b>	<b>MEETING DATE: June 17, 2015</b>  <b>AGENDA ITEM NO.: 5.a.</b>
<b>RECOMMENDED ACTION: Review FY15-17 proposed preliminary CIP Budget, and subject to minor changes and edits, recommend its adoption by the Board of Directors.</b>	
<b>SUMMARY AND DISCUSSION:</b>  <p>At the June 8, 2015 Board meeting, staff presented the District's preliminary Budget for Fiscal Years 2015-17 to the Board. Separately, staff reviewed the preliminary Solid Waste budget with the Solid Waste Committee, and will be reviewing the preliminary Operating budget with the Wastewater Operations Committee. The Solid Waste Committee has recommended adoption of the Solid Waste budget to the full Board, and it is hoped that the Operations and New Facilities Committees will do the same for the Operating and CIP budgets, respectively.</p> <p>The relevant elements of the preliminary CIP Budget are attached for review by the Committee. Staff suggests that the Committee review these items, and subject to minor changes and edits, recommend the preliminary CIP Budget for adoption by the full Board at its June 22, 2015 meeting.</p>	
<b>DEPT. MGR.: ssk</b>	<b>MANAGER-ENGINEER: SSK</b>

## **Novato Sanitary District - Strategic Planning & New Facilities Committee**

### **MEMORANDUM**

**TO:** Strategic Planning & New Facilities Committee

**FROM:** Sandeep Karkal, Manager-Engineer  
Steve Krautheim, Field Services Manager

**DATE:** June 12, 2015

**SUBJECT:** FY15-17 Preliminary Capital Improvement Program (CIP) Budget –  
Summary of Anticipated Project Work

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#### **Introduction**

This memo presents a summary of the potential or anticipated scope of work for projects and project work included within the various Accounts of the Capital Improvements Program (CIP) budget for FY15-17.

Note that with the drawdown of available funds from the 2011 COPs in FY15-16, the need for maintaining the 5-year projection for the 2011-16 period will also end, and future CIP budgets will revert back to the District's standard two year format. A copy of the 2-year format is included herein, and provides preliminary information for proposed CIP expenditures for FY15-16 and FY16-17.

#### **Account No. 72110: Drainage Pump Station No. 3 & 7 Outfall Rehabilitation**

Work under this account was completed during the last fiscal year and additional major expenses are not anticipated. A "placeholder" amount of \$5,000 is included to account for any incidental expenses that may arise in FY15-16.

#### **Account No. 72403: Pump Station Rehabilitation**

This ongoing, long term account provides for replacing the District's underground type pump stations with submersible pump type pump stations. With the completion of the reconstruction of the Los Robles and Digital Drive Pump Stations, the lift stations that remain to be rehabilitated include the two Vintage Oaks Pump Stations and the Rowland Plaza Pump Station. The rehabilitation schedule for these pump stations will be impacted by potential development in the Hanna Ranch and Vintage Oaks area, and work is being deferred until the development plans for the area become clearer.

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Therefore, construction work is not anticipated during FY15-16. However further design work on the remaining pump stations may be initiated depending on how development plans for these areas evolve, and a placeholder amount is included in the account to initiate any needed design work.

**Account No. 72508: North Bay Water Reuse Authority**

The District is a member agency of the North Bay Water Reuse Authority (NBWRA). FY15-16 will be the second year of a 3-year Phase 2 Feasibility Study for over \$136 million in recycled water projects across all NBWRA agencies.

In the scoping study leading into the Phase 2 feasibility work, the District had identified three projects with a total estimated cost of about \$36 million. The feasibility study is estimated to cost the NBWRA agencies a total of about \$5 million over three years. The District's corresponding share is estimated at \$1.14 million over these three years under a pre-determined formula. It is anticipated that up to \$430,000 of these costs would be recovered under a grant from the US Bureau of Reclamation (USBR) Title XVI program.

If the projects move out into the design and construction phases, it is anticipated that further grant funding from USBR could pay for up to 50% of design and construction costs for recycled water storage projects, and up to 25% of other recycled water projects (tertiary treatment, pipelines, pumping, etc.). The District would be required to come up with its share (local share) of the project costs, i.e. 50% of design and construction costs for storage projects and 75% of the design and construction costs for additional tertiary treatment facilities, etc.

**Project 72609: Waste Water Treatment Plant Upgrade – Contract B**

This account will be “zeroed out”. In previous years, the budget in this account has included provisions for upgrades including further odor control testing, validation, and improvements, and landscaping upgrades at the Novato Treatment Plant (NTP) site. As discussed below, a new account (Account No. 73004) is being set up to more appropriately track expenditures for these items.

**Account No. 72706: Collection System Improvements**

This account includes budget amounts for continuing work on rehabilitating the District's collection system.

This fiscal year's project work includes rehabilitating 900 feet of the Hamilton Trunk Sewer, and installing a short relief sewer on Simmons Lane.

It also includes an allowance for improvements to the Scown Lane sewer between Machin Ave and Redwood Blvd., in the neighborhood of the Downtown Novato Theater restoration project, if the restoration project and its attendant utilities improvement component were to proceed to construction in FY15-16.

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An allowance is also included for a scoping study level effort to identify either an update or a new Collection System Master Plan for the District, along with a potential scope of work for generating the updated or new Master Plan.

**Account No. 72706-1: Lateral Replacement Program**

This account was established as a grant program to incentivize homeowners, and assist them financially to replace the entire sewer lateral between their residence and the sewer main, as a long term approach to reducing infiltration and inflow from laterals into the District's collection system. Currently, the program pays half of the replacement cost up to a \$1,500 for replacing a residential sewer lateral in the District's service area.

**Account No. 72707: Hamilton Wetlands/Outfall**

The project work for FY15-16 in this account includes continuing work on a joint study funded 50-50 by the District and the California State Coastal Conservancy (SCC) to examine alternatives for long term integration of the District's outfall into the SCC's Hamilton Wetlands project.

The project work also provides for further study to utilize the District's effluent as a reliable, long term fresh water source to establish and maintain a brackish marsh habitat at the Wetlands project, including identifying and resolving water quality related regulatory issues identified during the study process.

**Account No. 72708: Cogeneration**

This account and its FY15-17 budget is established for preliminary work to explore strategies and potential projects to utilize the digester gas produced in the anaerobic digestion process to produce power and offset the District's utility power purchases.

The account includes an allowance to allow the District to initiate discussions with other entities for potential partnering in the areas of cogeneration and alternative energy production services.

**Account No. 72802: Annual Sewer Adjustment for City Projects**

The budget in this account is established annually to compensate the City of Novato or County of Marin for work performed on District facilities through City or County Capital Improvement Projects. An example of work funded through this account would be a City or County street paving or repaving project, when District manholes are raised to grade.

**Account No. 72803: Annual Collection System Repairs**

This account is established annually primarily to fund smaller projects to repair District collection system facilities, primarily point and spot repairs, or to replace short reaches of sewer main(s).

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The repair list is generated by collection system staff during routine maintenance activities including sewer cleaning and CCTV work, and tracked and prioritized by the Field Services Manager in conjunction with the Collection System Superintendent, Staff Engineer, and the Construction Inspector.

**Account 72804: Annual Reclamation Facilities Improvements**

The budget in this account is established annually to fund small projects to repair District facilities at the Reclamation Area. The work typically includes irrigation system repairs for lines larger than 4” in diameter, parcel rehabilitation work, and other miscellaneous repairs.

**Account No. 72805: Annual Treatment Plant & Pump Station Repairs**

This budget was established to fund small projects to repair District Facilities at the various pump stations throughout the District and the Novato Treatment Plant.

This work includes minor mechanical & electrical work, water line repairs, pavement repairs, painting, and any other small repairs or improvements.

For FY15-16, an allowance has also been provided to initiate the expansion of equalization facilities at the Ignacio Transfer Pump Station site.

**Account No. 72809: Novato Creek Watershed**

This account and its budget was established as a result of an agreement with the Marin County Flood Control District. Under this agreement, the District participates in a program with the County of Marin, the City of Novato, and the North Marin Water District to explore alternatives to reduce flooding potential in the lower Novato Creek portion where all of these agencies have facilities that are prone to flood damage.

**Account No. 73001: Waste Water Treatment Plant Facility Upgrade – Contract C**

This account includes a budget amount for closing out the Contract C (Solids Handling) project with completion of the corrosion control improvements to the effluent launders in the primary clarifiers. The account will be “zeroed out” in the FY16-17 budget year. Future corrosion control project work will be performed out of new Account No. 73006 – NTP Corrosion Control discussed below.

**Account No. 73002: Waste Water Treatment Plant Facility Upgrade – Contract D**

This budget was originally established to fund the design and construction of the Recycled Water Facility at the NTP site. The FY14-16 budget provided a placeholder amount for minor unanticipated improvements to the Recycled Water Facility or for incidental costs relating to this facility. However, the proposed FY15-16 budget will “zero out” this account and future RWF work will be funded from the new Account No. 73005 – RWF Expansion, discussed below.

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**Account No. 73003: Administration Building Upgrades/Maintenance Building –**

This account includes allowances for minor improvements to the Administration Building, demolition of the abandoned Aeration Basins and ancillary equipment from the “old” Novato treatment plant, and eventual design and construction of a new Maintenance Building. The work is expected to proceed in phases, and over the FY15-16 and FY16-17 budget periods.

**Account No. 73004: Odor and Landscaping Improvements**

This account will budget for further work by District and operations staff working with the District’s Odor Specialist consultant(s) to address and manage any odor issues raised by the District’s neighbors. It also includes an allowance to address any landscaping items identified either by District staff or the District’s neighbors.

**Account No. 73005: RWF Expansion**

This account will fund the design and construction of an incremental capacity expansion to the existing Recycled Water Facility (RWF) at the Novato Treatment Plant site.

The expansion is necessitated by the planned expansion by the North Marin Water District (NMWD) of its Central Area Project which will push NMWD’s recycled water distribution pipelines into the Central Novato/Ignacio geographic areas. The budgeted amounts do not include any potential grants that may be received through State Proposition 84 (IRWM) or Proposition 1 (Water Bond) funds, or through the US Bureau of Reclamation Title XVI (WaterSMART) program.

**Account No. 73006: NTP Corrosion Control**

This account is newly established to budget funds for corrosion control projects at the Novato Treatment Plant site. As the recently constructed facilities age, the effects of the aggressive nature of wastewater corrosion start to appear and need to be addressed. It is anticipated that this account will see budgeting of funds on an ongoing basis.

The budgeted funds for FY15-16 will be focused on prioritizing and addressing corrosion issues at any of the primary clarifier No. 2 mechanism, or the ultraviolet disinfection channels, or at the headworks channels/effluent box.

**Account No. 73090: Vehicle Replacement**

This account includes a budget amount for the replacement of a light truck in each of FY15-16 and FY16-17.

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***SECTION IV***

***CAPITAL IMPROVEMENT BUDGET***

**Novato Sanitary District  
2015-17 Preliminary Budget  
Capital Improvement Budget - Revenue Summary**

				Preliminary	Preliminary
			Est Rev	Budget	Budget
	Budget 13/14	Budget 14/15	2014-15	2015-16	2016-17
<b>Capital Improvement Income</b>					
51010 · Sewer Service Charges(1)	6,728,280	7,183,200	7,014,322	7,435,040	7,447,440
51015 · Property Taxes	1,740,000	1,750,000	1,900,000	1,900,000	1,900,000
51020 · Connection Charges(2)	470,000	493,500	200,000	518,000	544,000
51030 · Collector Sewer Charges	2,000	2,000	0	2,000	2,000
51040 · Special Equalization Chrg	4,000	4,000	0	4,000	4,000
51060 · Interest	50,000	30,000	25,000	22,000	22,000
51062 · Grant Revenue	0	0	0	0	0
51070 · Other Revenue	20,000	20,000	20,000	20,000	20,000
<b>Total Capital Improvement Income</b>	<b>9,014,280</b>	<b>9,482,700</b>	<b>9,159,322</b>	<b>9,901,040</b>	<b>9,939,440</b>
<b>Comments:</b>					
(1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 25, 2012 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:					
- For 2015/16 the charge is \$552 split between operations(\$304) and capital (\$248).					
- For 2016/17 the charge remains at \$552 split between operations(\$304) and capital(\$248).					
(2) Connection Charges projected on 50 new connections each year.					

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Capital Improvement Budget - CIP Expenditures**

Capital Improvements Cost Center - 72000 & 73000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Preliminary Budget 2015-16	Preliminary Budget 2016-17
72110 · Drainage PS 3&7 Outfall Rehab	150,000	265,000	250,000	5,000	0
72403 · Pump Station Rehabilitation	1,440,000	1,082,185	510,000	50,000	50,000
72508 · North Bay Water Reuse Authority (NBWRA)	150,000	355,000	340,000	403,000	440,000
72609 · WWTP Upgrade - Contract B	100,000	0	45,000	0	0
72611 · Bayside Sewer	3,000	45,000	0	0	0
72612 · Southgate Sewer	1,000	0	0	0	0
72706 · Collection System Improvments	1,730,000	1,600,000	1,476,125	1,050,000	900,000
72706-1 · Lateral Replacement Program	30,000	50,000	18,000	50,000	50,000
72707 · Hamilton Wetlands/Outfall Integration	90,000	36,542	14,000	22,500	0
72708 · Cogeneration	50,000	40,000	0	20,000	20,000
72801 · Annual Minor Projects	0	0	0	0	0
72802 · Annual Sewer Adj. for City Proj	10,000	10,000	10,000	10,000	10,000
72803 · Annual Collection Sys Repairs	275,000	200,000	175,000	200,000	200,000
72804 · Annual Reclamation Fac Improvements	250,000	150,000	75,000	100,000	100,000
72805 · Annual Trtmt Plnt/Pump St Improvements	275,000	200,000	120,000	300,000	200,000
72809 · Novato Creek Watershed	50,000	50,000	50,000	15,000	0
73001 · WWTP Upgrade - Contract C (Solids handling)	2,858,377	461,396	417,000	10,000	0
73002 · WWTP Up-Contract D-Recycled Water	150,000	10,000	3,000	0	0
73003 · Admin Building Upgrade/Maint. Building	400,000	1,000,000	100,000	750,000	1,130,000
73004 · Odor Control and NTP Landscaping	0	0	0	50,000	50,000
73005 · RWF Expansion	0	0	0	150,000	1,200,000
73006 · NTP Corrosion Control	0	0	0	150,000	75,000
73090 · Vehicle Replacement	64,000	180,000	180,000	25,000	25,000
78500 · Interest - SRF/COP Bond	2,730,721	2,621,583	2,621,583	2,509,673	2,385,943
78500 · Principal	4,339,933	4,449,171	4,449,171	4,565,431	4,673,762
<b>Totals</b>	<b>15,147,031</b>	<b>12,805,877</b>	<b>10,853,879</b>	<b>10,435,604</b>	<b>11,509,705</b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Administration: Cost-of-living increase, represented employee group.	<b>MEETING DATE:</b> June 22, 2015  <b>AGENDA ITEMS NO.:</b> 8.a.
<b>RECOMMENDED ACTION:</b> Review cost-of-living increase, represented employee group, effective July 1, 2015 – informational item.	
<b>SUMMARY AND DISCUSSION:</b>  <p>In 2014 the District negotiated a four year Memorandum of Understanding (MOU) with its represented employee group, the Teamsters Bargaining Unit (TBU). The MOU term is July 1, 2014 through June 30, 2018. The MOU has a provision for a cost-of-living increase effective July 1, 2015 as determined by the April 2014 to April 2015 Consumer Price Index (CPI) (SF Bay Area 82-100) movement plus one percent. The US Bureau of Labor Statistics (BLS) value for the April-April CPI (SF Bay area 1982-84=100) – Urban Wage Earners and Clerical Workers is 2.0%, therefore the corresponding increase would be 3.0%.</p>	
<b>ALTERNATIVES:</b> NA	
<b>BUDGET INFORMATION:</b> The preliminary FY15-16 budget includes a provision for a projected 3.5% salary increase.	
<b>DEPT. MGR.:</b> ssk	<b>MANAGER-ENGINEER:</b> SSK

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Administration: Cost-of-living increase, Management and Confidential employee group.	<b>MEETING DATE:</b> June 22, 2015  <b>AGENDA ITEMS NO.:</b> 8.b.
<b>RECOMMENDED ACTION:</b> Approve cost-of-living increase, Management and Confidential (M&C) employee group effective July 1, 2015.	
<b>SUMMARY AND DISCUSSION:</b>  In 2014, the District negotiated a four year Memorandum of Understanding (MOU) with its represented employee group, the Teamsters Bargaining Unit (TBU). The MOU term is July 1, 2014 through June 30, 2018. The MOU has a provision for a cost-of-living increase effective July 1, 2015 as determined by the April 2014 to April 2015 Consumer Price Index (CPI) (SF Bay Area 82-100) movement plus one percent. The US Bureau of Labor Statistics (BLS) value for the April-April CPI (SF Bay area 1982-84=100) – Urban Wage Earners and Clerical Workers is 2.0%, therefore the corresponding increase would be 3.0%.  The Management and Confidential (M&C) group has agreed to the same terms as the represented employee group in terms of a cost-of-living increase. Therefore, it is recommended that the Board approve a 3.0% increase for the Management and Confidential group effective July 1, 2015.	
<b>BUDGET INFORMATION:</b> The preliminary FY15-16 budget includes a provision for a projected 3.5% salary increase.	
<b>DEPT. MGR.:</b> ssk	<b>MANAGER:</b>

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: Administration: Cost-of-living increase, Manager-Engineer.</b>	<b>MEETING DATE: June 22, 2015</b>  <b>AGENDA ITEMS NO.: 8.c.</b>
<b>RECOMMENDED ACTION:</b> Approve cost-of-living increase, Manager-Engineer, effective July 1, 2015.	
<b>SUMMARY AND DISCUSSION:</b>  <p>In 2014 the District negotiated a four year Memorandum of Understanding (MOU) with its represented employee group, the Teamsters Bargaining Unit (TBU). The MOU term is July 1, 2014 through June 30, 2018. The MOU has a provision for a cost-of-living increase effective July 1, 2015 as determined by the April 2014 to April 2015 Consumer Price Index (CPI) (SF Bay Area 82-100) movement plus one percent. The US Bureau of Labor Statistics (BLS) value for the April-April CPI (SF Bay are 1982-84=100) – Urban Wage Earners and Clerical Workers is 2.0%, therefore the corresponding increase would be 3.0%.</p> <p>The terms of the Manager-Engineer’s agreement stipulate that he shall be eligible for cost-of-living increases which shall be no greater than that authorized for the Management and Confidential (M&amp;C) staff. Therefore, it is requested that the Board approve a 3.0% increase for the Manager-Engineer effective July 1, 2015.</p>	
<b>BUDGET INFORMATION:</b> The preliminary FY15-16 budget includes a provision for a projected 3.5% salary increase.	
<b>DEPT. MGR.:</b> ssk	<b>MANAGER-ENGINEER:</b> SSK

# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Administration: Consider Adoption of a Resolution to CalPERS regarding Member Contributions	<b>MEETING DATE:</b> June 22, 2015  <b>AGENDA ITEM NO. :</b> 8.d.
<b>RECOMMENDED ACTION:</b> Adopt Resolution No. 3087 for Paying and Reporting the Value of Employer-Paid Member Contributions to CalPERS.	
<b>SUMMARY AND DISCUSSION:</b>  <p>At their meeting of October 13, 2014, the Board of Directors adopted a Memorandum of Understanding (MOU) between Novato Sanitary District and Teamsters Local 315 for the period July 1, 2014 through June 30, 2018. One of the provisions of the MOU is a change in the formula for payment and reporting of Employer Paid Member Contributions (EPMC), from 2.5% to 1.5% effective July 1, 2015, from 1.5% to 0.5% effective July 1, 2016, and from 0.5% to 0.0% effective July 1, 2017. Each modification requires adoption of a resolution by the District Board for submission to CalPERS. The modification to 2.5% was implemented by adoption of Resolution No. 3076 on June 23, 2014. Resolution No. 3086 is presented for Board adoption to modify the District's EPMC from 2.5% to 1.5%. A summary of the revised formula, effective July 1, 2015, follows:</p> <p><b><i>Effective July 1, 2015, for all employees hired before January 1, 2012, the District will contribute 1.5% of base pay as Employer Paid Member Contributions, reported as Special Compensation. Employees in this group will pay the remaining 5.5% of base pay towards employee (or Normal) contributions.</i></b></p> <p><b><i>For employees hired on or after January 1, 2012, the District will contribute 0% towards employee (Normal) contributions. Employees in this group will pay the full employee contribution to the CalPERS retirement system.</i></b></p> <p>Although the MOU applies to the District's represented employees, the Board's action also includes all non-represented employees.</p>	
<b>BUDGET INFORMATION:</b> This action will result in a savings of approximately \$13,100.00 in CalPERS contributions for Fiscal Year 2015-16.	
<b>DEPT. MGR. :</b> lmc, ssk	<b>MANAGER-ENGINEER:</b> SSK

RESOLUTION NO. 3087

RESOLUTION FOR PAYING AND REPORTING THE VALUE OF  
EMPLOYER PAID MEMBER CONTRIBUTIONS

**WHEREAS**, the governing body of the Novato Sanitary District has the authority to implement Government Code Section 20636(c) (4) pursuant to Section 20691;

**WHEREAS**, the governing body of the Novato Sanitary District has a written labor policy or agreement which specifically provides for the normal member contributions to be paid by the employer, and reported as additional compensation;

**WHEREAS**, one of the steps in the procedures to implement Section 20691 is the adoption by the governing body of the Novato Sanitary District of a Resolution to commence paying and reporting the value of said Employer Paid Member Contributions (EPMC);

**WHEREAS**, the governing body of the Novato Sanitary District has identified the following conditions for the purpose of its election to pay EPMC;

1. **This benefit shall apply to all employees of Novato Sanitary District hired prior to January 1, 2012.**
2. **This benefit shall consist of paying One and One Half Percent (1.5%) of the normal contributions as EPMC, and reporting the same One and One Half Percent (1.5%) of compensation earnable {excluding Government Code Section 20636(c) (4)} as additional compensation.**

**WHEREAS**, the governing body of the Novato Sanitary District has identified the following condition for the payment of normal contributions for employees hired on or after January 1, 2012;

1. **The Novato Sanitary District shall pay Zero Percent (0%) of normal contributions for all employees hired on or after January 1, 2012.**

**The effective date of this Resolution shall be July 1, 2015.**

**NOW, THEREFORE, BE IT RESOLVED** that the governing body of the Novato Sanitary District elects to pay and report the value of EPMC, as set forth above.

BY

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Jean Mariani, President  
Board of Directors

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Sandeep S. Karkal, Manager-Engineer

Adopted and approved on June 22, 2015

## NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE:</b> Annual Budget: Consider Adoption of a Resolution Waiving Increase in Sewer Connection Charges for Fiscal Year 2015-16	<b>MEETING DATE:</b> June 22, 2015  <b>AGENDA ITEM NO. :</b> 9.a.
<b>RECOMMENDED ACTION:</b> Adopt Resolution No. 3088 Waiving Increase in Sewer Connection Charges for Fiscal Year 2015-16.	
<p><b>SUMMARY AND DISCUSSION:</b></p> <p>In 1993, a Capital Facilities Financing Plan was prepared on behalf of the District by Bartle Wells Associates, independent public finance advisors. The financing plan, in conjunction with a Capacity Study prepared by Kennedy/Jenks Consultants, consulting sanitary engineers, formed the basis for a new ten-year capital improvements plan.</p> <p>The Capital Facilities Financing Plan contained a number of proposed amendments to the District's Sanitary Code (Ordinance No. 70). One of the amendments was to increase the sewer connection charge levied for new connections from the previous rate of \$1,250 per family unit, to \$3,000 per family unit. In addition, the revised regulation provided that the connection charge be increased by 5% each year, rounded up to the nearest \$10, instead of the previous fixed increase of \$50 each year.</p> <p>Ordinance No. 75, amending Ordinance No. 70 and incorporating the revisions presented in the Capital Facilities Financing Plan, was adopted by the District Board in June 1993.</p> <p>In June 2004, in accordance with recommendations contained in a Wastewater Facility Financing Report prepared by Bartle Wells Associates, Ordinance No. 101 was adopted by the Board, increasing the connection charge from \$4,950 to \$6,030, with a 5% annual increase rounded up to the nearest \$10. Justification for the increase was based on replacement cost of the system divided by design capacity of equivalent dwelling units. The District's current connection fee, with the 5% annual increase, is now \$9,870.</p> <p>Bartle Wells Associates has been retained to review the District's connection charge methodology, and their analysis may result in adjustments to the current fee calculation. Staff therefore recommends that the Board waive an increase in the District's sewer connection charges for fiscal year 2015-16. A waiver of the increase will not have a significant effect on revenue projections.</p> <p>Section 708(c) of Ordinance 75 provides that the District Board may, at its option, determine by resolution that an increase of the connection charge shall not be effective for the next succeeding fiscal year.</p> <p>The attached Resolution No. 3088 has been reviewed and approved by District Legal Counsel and is presented for Board adoption.</p>	
<b>BUDGET INFORMATION:</b> The FY2015-16 budget revenue estimate will decrease by the de minimus amount of approximately \$25,000, based on projected sewer connections.	
<b>DEPT. MGR. :</b> lmc, ssk	<b>MANAGER-ENGINEER:</b> SSK

**RESOLUTION NO. 3088**

**A RESOLUTION WAIVING INCREASE IN  
SEWER CONNECTION CHARGES  
FOR FISCAL YEAR 2015-16**

**NOVATO SANITARY DISTRICT**

Section 708(c) of Novato Sanitary District Ordinance No. 70, "Sanitary Code of Novato Sanitary District", provides for an annual increase of District Connection Charges. Each July 1<sup>st</sup> the sewer connection charge may be increased by five percent (5%) rounded upward to the nearest Ten Dollars (\$10).

District Ordinance No. 75, "An Ordinance Amending Ordinance No. 70", adopted on June 14, 1993, amended Section 708(c) of the Sanitary Code as follows: "On July 1, 1994, and each July 1<sup>st</sup> thereafter, the connection charge required under Section 708(b) shall be increased by five percent (5%) rounded upward to the nearest Ten Dollars (\$10.00); **provided that the District Board may, at its option, determine by resolution adopted prior thereto that such increase shall not be effective for the next succeeding fiscal year**".

**WHEREAS**, the District's connection charge methodology is currently under review and it has been determined that a waiver of the connection charge increase for fiscal year 2015-16 will not significantly affect the District's Capital Improvement revenue projections;

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of Novato Sanitary District that the customary five percent (5%) Connection Charge increase shall not be effective for fiscal year 2015-16.

\* \* \* \* \*

I hereby certify that the foregoing resolution was duly and regularly passed and adopted by the Board of Directors of the Novato Sanitary District, Marin County, California, at a meeting thereof duly held on the 22nd day of June, 2015, by the following vote:

AYES, and in favor thereof, Directors:

NOES, Directors:

ABSENT, Directors:

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President, Board of Directors  
Novato Sanitary District

ATTEST:

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Secretary

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# NOVATO SANITARY DISTRICT BOARD AGENDA ITEM SUMMARY

<b>TITLE: FINANCIAL: FY15-17 Preliminary Budget</b>	<b>MEETING DATE: June 22, 2015</b>  <b>AGENDA ITEM NO.: 9.b.</b>
<b>RECOMMENDED ACTION: Approve and adopt the Preliminary Budget for FY15-16 and FY16-17.</b>	
<b>SUMMARY AND DISCUSSION:</b>  At the June 8, 2015 Board meeting, staff presented the District's Preliminary Budget for Fiscal Years FY2015-17 to the Board.  Separately, staff reviewed the preliminary Solid Waste budget with the Solid Waste Committee, the preliminary Capital Improvement Program (CIP) budget with the Strategic Planning and New Facilities Committee, and the Operating Budget with the Wastewater Operations Committee. Subject to minor adjustments and edits, all three committees recommended adoption of the respective budgets to the full Board.  Subsequently, staff updated the preliminary budget document presented at the June 8, 2015 Board meeting. The updated preliminary budget document is attached.  Staff recommends that the Board approve and adopt the Preliminary Budget for FY15-17.	
<b>DEPT. MGR.: lmc, ssk</b>	<b>MANAGER-ENGINEER: SSK</b>

***UPDATED  
Preliminary BUDGET***

***FOR***

***FISCAL YEARS 2015-17***

***Proposed June 22, 2015***

**NOVATO SANITARY DISTRICT  
2015-17 Preliminary Budget**

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***SECTION I***

***LETTER OF TRANSMITTAL AND SUMMARY OF FUND  
BALANCES***

June 22, 2015

Honorable Board of Directors  
Novato Sanitary District  
500 Davidson Street  
Novato, California 94945

Honorable Board Members:

The proposed Preliminary District Budget for the 2015-16 and 2016-17 fiscal years is attached for your consideration and approval.

The FY 2015-16 Preliminary Budget includes the following components:

- Summary of the Operating and Capital Improvement Funds, and Summary of Fund Balances (Section I).
- Operating Budget: Summary Revenues/Expenditures, and Summary Budget by Cost Center and Account Category (Section II).
- Detailed Operating Budget by Cost Center and Account Category (Section III).
- Capital Improvement Budget: Revenue and Expenditures Budget, (Section IV)
- Wastewater Capital Reserve Fund and the Certificates of Participation Reserve Fund (Section V)
- Debt Service Fund Summary for State Revolving Fund (SRF) Loan and Certificates of Participation (COP) Bond Fund (Section VI).

Note that this year's annual Sewer Service Charge (SSC) increases from \$533 to \$552 per service unit, or an increase of 3.6% over the prior year.

The basis of the rate increase is District Ordinance No. 116 - AN ORDINANCE OF THE NOVATO SANITARY DISTRICT ESTABLISHING SEWER SERVICE CHARGES FOR FISCAL YEARS 2012-13, 2013-14, 2014-15, 2015-16. This Ordinance No. 116 was adopted by the District Board at its regular meeting of June 25, 2012 upon completion of the appropriate Proposition 218 process.

As in prior years, the sewer service charge is divided with \$304 (55%) allocated to the Operating Budget, and \$248 (45%) allocated to the Capital Budget.

#### **A. BUDGET STRUCTURE**

The District's budget is prepared on a cash basis. Table 1 summarizes the Operating and Capital Revenue and Expenditures and compares the immediate past year with the proposed budget. Total revenues are projected to increase slightly due to the sewer service charge rate increase approved on June 25, 2012 and discussed above. More detailed information regarding the variances between the two budget years both by cost center and account are also provided in this letter.

Table 1: Summary of Revenues and Expenditures for FY 15 and FY 16:

	FY 14/15 Adopted Budget	FY 15/16 Proposed Budget	% Change FY 15 to FY 16
<b>Operating Revenues</b>	\$ 9,601,856	\$ 10,000,483	4.15%
<b>Capital Revenues</b>	9,482,700	9,901,040	4.41%
<b>Total Revenues</b>	<b>\$ 19,084,556</b>	<b>\$ 19,901,523</b>	4.28%
<b>Operating Expenditures</b>	9,406,216	9,762,313	3.79%
<b>CIP Expenditures</b>	5,735,223	3,360,500	-41.41%
<b>Debt Service</b>	7,070,654	7,075,104	0.06%
<b>Total Expenditures</b>	<b>\$ 22,212,093</b>	<b>\$ 20,197,917</b>	-9.07%

**B. FISCAL YEAR 2015-16 OPERATING BUDGET DETAILS**

*Operating Revenues*

The proposed FY 2015-16 Operating Budget by revenue source is shown in Table 2 below (and graphically in Figure 1 at the end of this letter), along with the figures for the past two fiscal years. Total operating revenues are expected to increase by 4.2% or \$398,627 from FY 2014-15.

Table 2: Operating Budget Revenue Three-Year Summary:

Funding Sources by Category	FY 13-14 Adopted Budget	FY 14-15 Adopted Budget	FY 15-16 Proposed Budget	% Change FY 15 to FY 16
Operating Sewer Service Charges	\$ 8,506,680	\$ ,776,815	\$ 9,121,520	3.93%
Permit & Inspection Fees	34,183	31,500	31,500	0.00%
Interest Income	15,000	15,000	18,000	20.00%
Engineering/Admin Charges	165,000	165,000	165,000	0.00%
Franchise Fees	48,602	49,768	50,962	2.40%
AB 939 Collector Fees	297,586	297,586	342,621	15.13%
Oil and Beverage Grant	50,234	50,187	59,880	19.31%
Ranch Income	70,000	70,000	70,000	0.00%
Recycled Water Revenue	75,000	116,000	111,000	-4.31%
Other Revenue	50,000	30,000	30,000	0.00%
<b>Total Operating Revenue</b>	<b>\$9,312,285</b>	<b>\$9,601,856</b>	<b>\$10,000,483</b>	<b>4.15%</b>

**Operating Sewer Service Charges (SSCs)** - expected increase of \$344,705 or 3.9% primarily from the 3.6% rate increase. For informational purposes, see Figure 2 (attached to this letter) which compares SSC changes relative to changes in the Consumer Price Index (CPI) for the last ten years.

**Interest Income** - expected increase of \$3,000 or 20% from potential increase in interest rates.

**AB 939 Collector Fees** expected to increase by \$342,621 or 15.1% due to the current projection for the HHW Cost center revenue. In the same cost center, **Oil and Beverage Grant** are expected to increase by \$59,880 or 19.3% based on the projections provide by the District's HHW consultant coordinator.

**Recycled Water Revenue** is based on projections for cost recovery of operating costs through an agreement with the North Marin Water District (NMWD).

***Operating Expenditures***

A summary of proposed and past two fiscal years Operating Expenditures are shown in Table 3 (and graphically in Figure 3 at the end of this letter) by department/cost center. Operating expenditures are budgeted to increase by 3.8% or \$356,097 between FY2014-15 and FY2015-16.

In terms of staffing, note that in general, FY14-15 expenditures for Salaries and Benefits within the individual cost centers represent one-time “savings” from vacant positions which will be filled in FY15-16. Also, note that total Full-Time Equivalent (FTE) budgeted positions remain stable between FY2014-15 and FY2015-16 after accounting for the transition of Laboratory/Environmental Services to contract services with Veolia.

**Table 3: Operating Budget Expenditures 3-year Summary:**

Expenditures by Department	FY 13-14 Adopted Budget	FY 14-15 Adopted Budget	FY 15-16 Proposed Budget	% Change FY 15 to FY 16
Collections	\$ 1,316,424	\$ 1,389,859	\$ 1,408,761	1.36%
Treatment	2,699,200	2,827,499	2,977,341	5.30%
Reclamation	534,268	484,649	492,380	1.60%
Laboratory	685,376	593,829	601,633	1.31%
Pump Stations	822,016	807,072	826,927	2.46%
Administration/Engineering	2,766,336	2,818,610	2,941,770	4.37%
Hazardous Household Waste	371,301	368,698	402,501	9.17%
Recycled Water	108,000	116,000	111,000	-4.31%
<b>Total Expenditures</b>	<b>\$ 9,302,921</b>	<b>\$ 9,406,216</b>	<b>\$ 9,762,313</b>	<b>3.79%</b>

The following table summarizes the main operational budget variances and their impact.

**Table 4: Operating Budget - Significant Budget Variances 2014-15 to 2015-16**

Main Budget Variances – FY 15 to FY 16	Budget Impact
1. Contract Services for the Laboratory Cost Center is a new account this year to reflect the contract with Veolia Water in February 2015. Funding for this account was reallocated from the Salaries and Benefits Accounts of the FY14-15 Laboratory Cost Center	\$ 357,133
2. Anticipated cost of District election	\$ 50,000
3. Anticipated increase of 22.2% for the District's Board fees	\$ 10,000
4. Anticipated decrease of 35.7% for the District liability insurance premium	\$ (81,570)
5. Anticipated decrease of 35.9% operating chemicals expenses over prior year	\$ (23,000)
6. Anticipated decrease of 25% for the District's attorney fees	\$ (30,000)
7. Anticipated decrease of 18.4% for outside services for Collection and Pump Station cost centers	\$ (58,000)
8. Anticipated decrease of 34% for Research and Monitoring fees	\$ (84,000)
9. Anticipated decrease of 21.4% for Travel, Meetings and Training expense	\$ (15,000)
10. Anticipated increase of 10.8% for Gas and Electricity expense	\$ 83,740

**C. FISCAL YEAR 2015-16 CAPITAL BUDGET DETAILS**

***Capital Revenues***

The proposed FY2015-16 Capital Budget by Revenue source is shown in Table 5 below along with the figures for the past two fiscal years. Total capital revenues are expected to increase by 4.4% or \$418,740 from FY 2014-15. Notable items include:

**Capital SSC Revenues** - projected increase of \$251,840 or 3.5% primarily from the 3.6% rate increase.

**Property Taxes** - projected increase of 8.6% from greater activity in the housing market over the past few years. For comparative purposes, Figure 4 (attached to this letter) depicts property tax-related revenues for the last ten years.

**Connection Fees** – projected to be relatively flat assuming about 50 new connections per year.

**Grants/Loans** - no anticipated grant income, and no more funds from the 2011 Certificates of Participation (COPS).

**Interest Income** – projected decrease of 26.6% from loss of interest with completion of draw-down of COP funds.

**Table 5: Capital Budget Revenue 3-year Summary:**

Funding Sources by Category	FY 13-14 Adopted Budget	FY 14-15 Adopted Budget	FY 15-16 Proposed Budget	% Change FY 15 to FY 16
Capital Sewer Service Charges	\$ 6,728,280	\$ 7,183,200	\$ 7,435,040	3.51%
Property Taxes	1,740,000	1,750,000	1,900,000	8.57%
Connection Charges	470,000	493,500	518,000	4.96%
Collector/Special Equalization Charges	6,000	6,000	6,000	0.00%
Interest Income	50,000	30,000	22,000	-26.67%
Grant and Other Revenue	20,000	20,000	20,000	0.00%
<b>Total Capital Revenues:</b>	<b>\$9,014,280</b>	<b>\$9,482,700</b>	<b>\$9,901,040</b>	<b>4.41%</b>

***Capital Expenditures***

The proposed Capital Improvement Program (CIP) Budget for FY15-16 is \$10,435,604 or \$2,370,273 less or a decrease of 18.5% over last year. Capital projects for 2015-16 will be funded through sewer service charges, property taxes, and connection fees. Notable items include:

**New accounts** for odor control and landscaping work, and corrosion control at the Novato Treatment Plant site.

**On-going major capital project work**, including Collection System Improvements, demolition to make site space available for a future Maintenance Building, and the expansion of the Recycled Water Facility (RWF).

**Continuing work on regional efforts** including North Bay Water Reuse Authority (NBWRA), Novato Creek Watershed, and the Hamilton Wetlands/Outfall study.

**Debt service** of \$7,075,104 which will be funded similar to capital projects. Table 6 shows summary Capital Debt Service and Capital Project Costs for three fiscal years.

**Table 6: Capital Budget Expenditures, 3-year Summary:**

Capital Expenditures	FY 13-14 Adopted Budget	FY 14-15 Adopted Budget	FY 15-16 Proposed Budget	% Change FY 15 to FY 16
Capital Projects	\$8,076,377	\$5,735,223	\$3,360,500	-41.41%
Debt Service	7,070,654	7,070,654	7,075,104	0.1%
Total	\$15,147,031	\$12,805,877	\$10,435,604	-18.5%

**Debt Coverage Ratio**

In the 2011 COP Installment Sale Agreement the District agreed to collect rates and charges during each fiscal year that are sufficient to yield net revenues equal to at least 120 percent of the installment payments on the COPs and all parity debt in the fiscal year. The projected Debt Coverage Ratio for FY2015-16 is **1.43**.

**D. COMPARISON OF ANNUAL SEWER SERVICE CHARGES LEVIED BY NEIGHBORING AGENCIES**

The following table compares the District's rate with those of other nearby sanitation agencies.

AGENCY	RATE (\$/yr.)
Sausalito-Marin City Sanitary District <sup>(1)</sup>	1,309 <sup>(b)</sup>
Tamalpais Community Services District	1,111 <sup>(b)</sup>
City of Petaluma	1,075 <sup>(b)</sup>
City of Santa Rosa	1,005 <sup>(b)</sup>
City of Larkspur	961 <sup>(a)</sup>
San Rafael Sanitation District	788 <sup>(b)</sup>
Las Gallinas Valley Sanitary District	748 <sup>(b)</sup>
Ross Valley Sanitary District (SD #1)	692 <sup>(a)</sup>
City of Mill Valley	685 <sup>(a)</sup>
<b>NOVATO SANITARY DISTRICT</b>	<b>552 <sup>(b)</sup></b>
Vallejo Sanitation & Flood Control District	520 <sup>(a)</sup>
Napa Sanitation District	470 <sup>(a)</sup>

Notes: <sup>(1)</sup> Includes SMCSD charge of \$817 and City of Sausalito charge of \$492.

<sup>(a)</sup>FY2014-15 charges; <sup>(b)</sup>FY2015-16 (proposed or adopted)

In conclusion, the proposed FY2015-16 budget will be able to accomplish the District's commitments to achieving the key goals set forth in its Strategic Plan while maintaining reasonable rates for its customers.

Sincerely,

SANDEEP KARKAL  
Manager-Engineer

Additional Charts for Informational Purposes:

Figure 1:

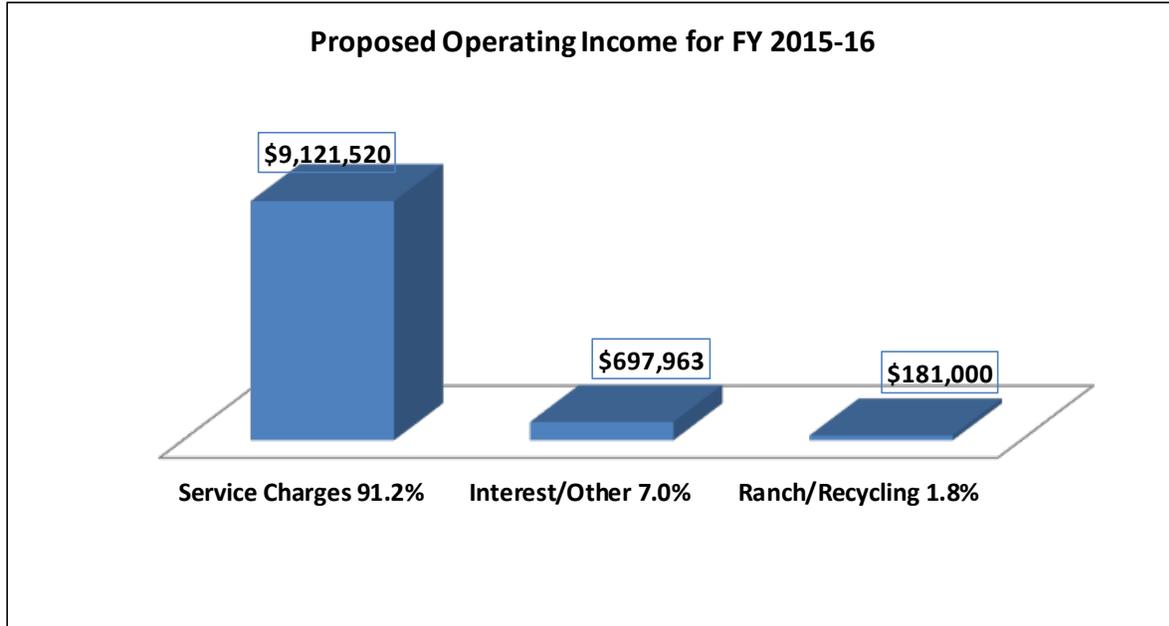


Figure 2:

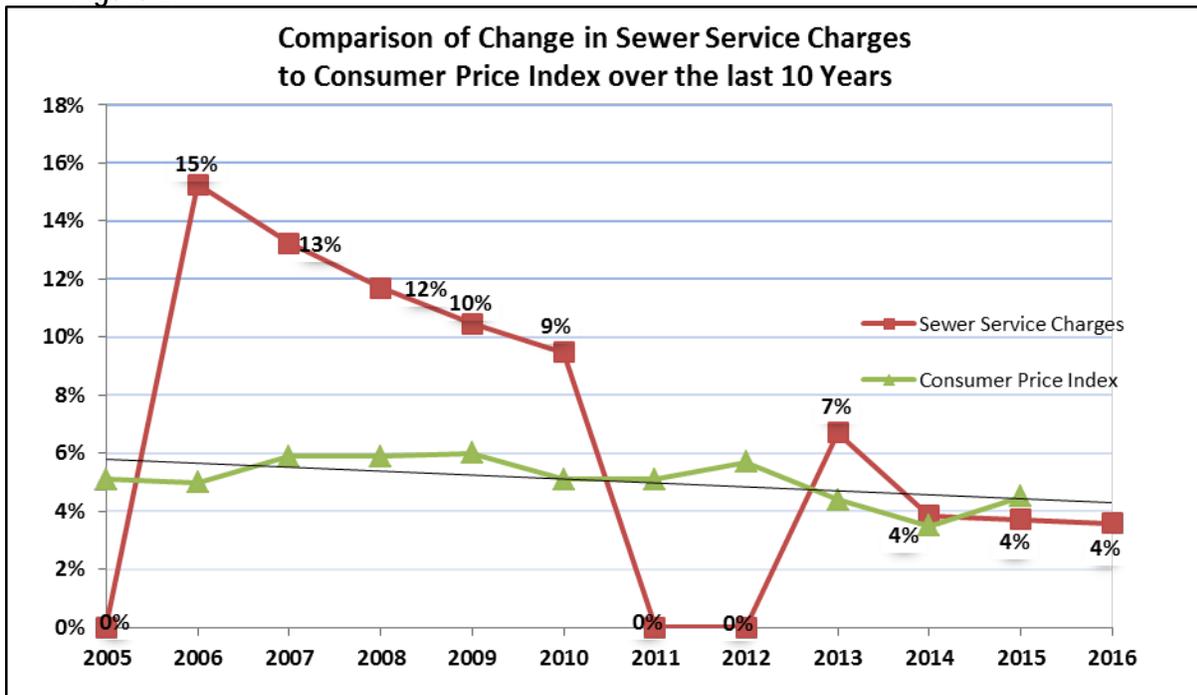


Figure 3:

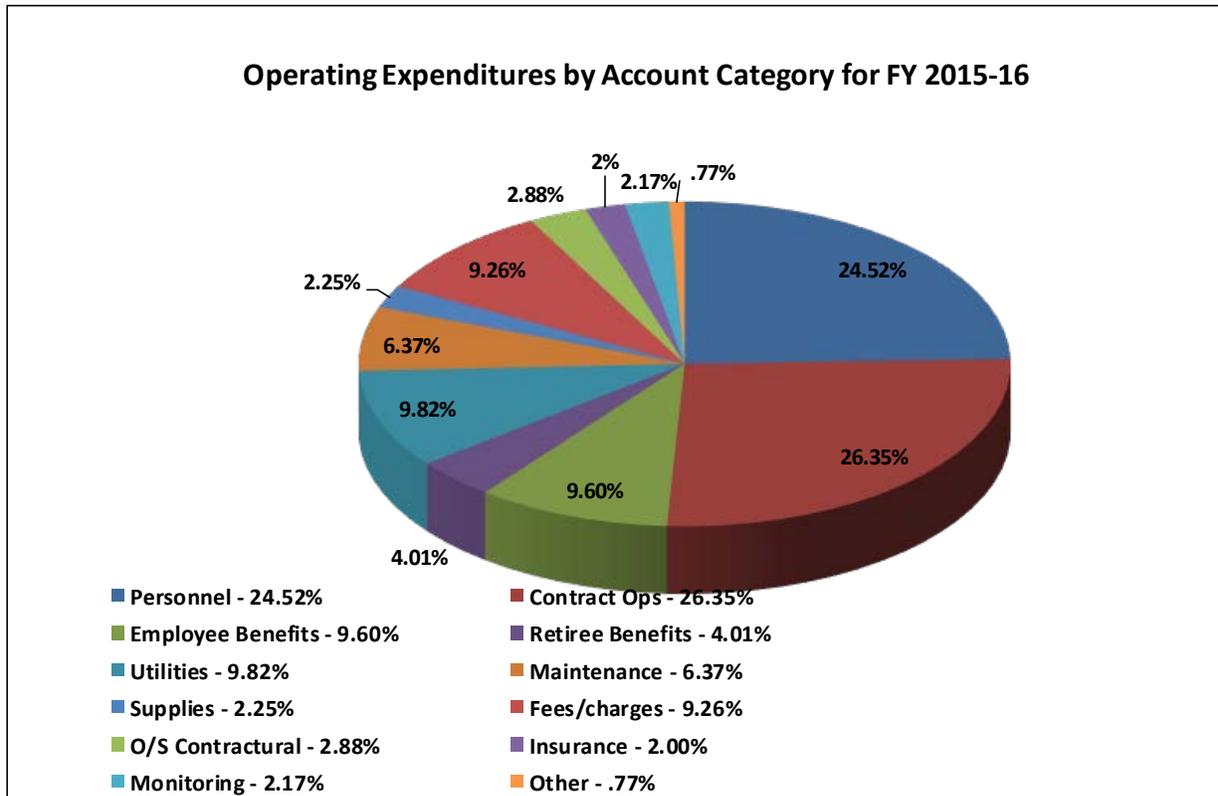
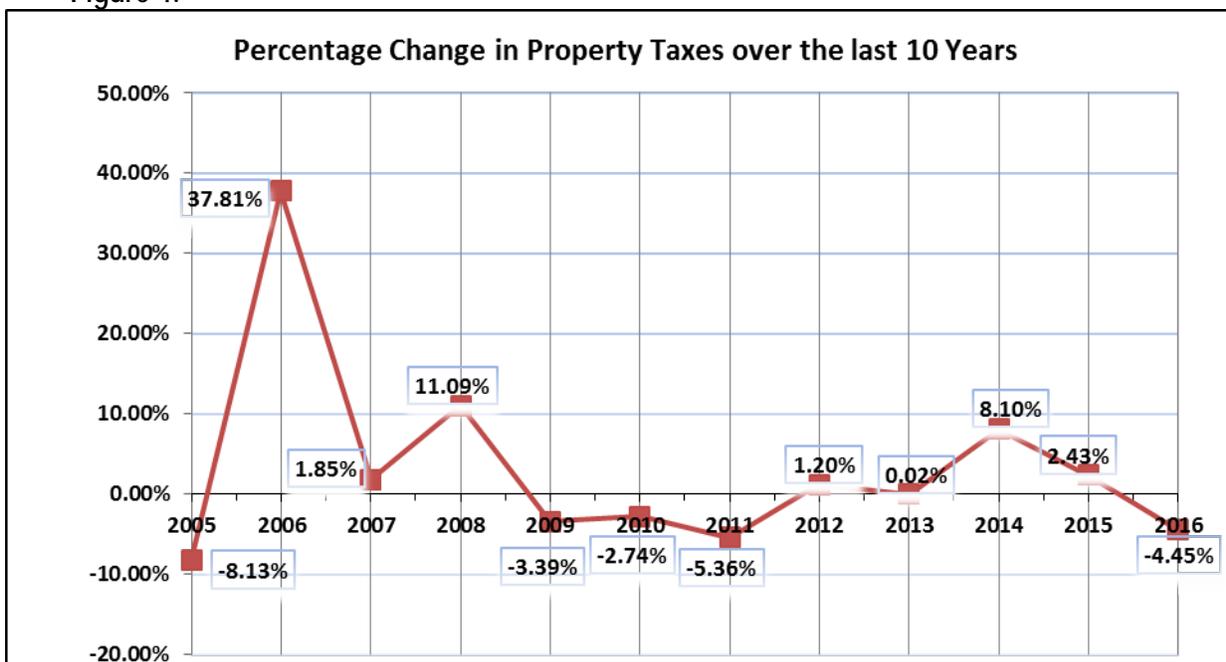


Figure 4:



**Novato Sanitary District  
2015-17 Preliminary Budget  
Summary of Operating Fund  
And Capital Improvement Fund Balances**

	Budget 14/15	Projected Rev/Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Operating Fund at July 1st Beginning of Each Year</b>	9,287,659	9,281,819	10,138,284	10,376,454
Operating Revenue (p. 2)	9,601,856	9,523,854	10,000,483	10,022,129
Operating Expenditures (p. 3)	9,406,216	8,667,389	9,762,313	10,012,709
Net Operating Revenue	195,640	856,465	238,170	9,421
<b>Operating Fund at the End of Each Year</b>	<b>9,483,299</b>	<b>10,138,284</b>	<b>10,376,454</b>	<b>10,385,874</b>
<b>Capital Improvement Fund at July 1st Beginning of Each Year</b>	7,482,115	7,482,059	5,787,502	5,252,938
Capital Revenue (p. 15)	9,482,700	9,159,322	9,901,040	9,977,440
<b>Total Capital Revenues</b>	<b>9,482,700</b>	<b>9,159,322</b>	<b>9,901,040</b>	<b>9,977,440</b>
Capital Expenditures (p. 16)	5,735,123	3,783,125	3,360,500	4,450,000
Debt Service (p. 19)	7,070,754	7,070,754	7,075,104	7,059,705
<b>Total Capital Expenditures</b>	<b>12,805,877</b>	<b>10,853,879</b>	<b>10,435,604</b>	<b>11,509,705</b>
<b>Capital Improvement Fund Balance at the End of Each Year</b>	<b>4,158,938</b>	<b>5,787,502</b>	<b>5,252,938</b>	<b>3,720,673</b>
	<b>Reserved</b>	<b>2,284,897</b>	<b>1,692,382</b>	<b>1,693,382</b>
	<b>Unreserved</b>	<b>11,357,340</b>	<b>14,233,404</b>	<b>12,413,165</b>
<b>Operating and Capital Improvement Fund Balances at The End of Each Year</b>	<b>13,642,237</b>	<b>15,925,786</b>	<b>15,629,392</b>	<b>14,106,547</b>

***SECTION II***

***OPERATING BUDGET SUMMARY SCHEDULES***

**Novato Sanitary District  
2015-17 Preliminary Operating Budget  
Revenue Summary**

Operating Fund Revenue Center - 41000	Budget 13/14	Budget 14/15	Est Rev 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Accounts</b>					
41010 · Sewer Service Charges (1)	8,506,680	8,776,815	8,710,000	9,121,520	9,136,720
41030 · Plan Check & Inspection Fee	500	500	6,000	500	500
41040 · Permit & Inspection Fee	7,500	6,000	7,500	6,000	6,000
41060 · Interest Income	15,000	15,000	18,000	18,000	20,000
41080 · Engineering & Admin Charges	165,000	165,000	165,000	165,000	165,000
41090 · Non-domestic Permit Fees (2)	26,183	25,000	25,000	25,000	20,000
41100 · Garbage Franchise Fees	48,602	49,768	49,768	50,962	52,186
41105 · AB 939 Collector Fees	297,586	297,586	297,586	342,621	350,844
41107 · Oil/Bev/Tire Grants (3)	50,234	50,187	60,000	59,880	59,880
41130 · Ranch Income	70,000	70,000	70,000	70,000	70,000
41135 · Recycled Water Revenue	75,000	116,000	75,000	111,000	111,000
41140 · Other Revenue (4)	40,000	20,000	20,000	20,000	20,000
41142 · Loss on disposal of assets	10,000	10,000	20,000	10,000	10,000
<b>Totals</b>	<b>9,312,285</b>	<b>9,601,856</b>	<b>9,523,854</b>	<b>10,000,483</b>	<b>10,022,129</b>

**Comments:**

- (1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 25, 2012 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:  
 - For 2015/16 the charge is \$552 split between operations(\$304) and capital (\$248).  
 - For 2016/17 the charge remains at \$552 split between operations(\$304) and capital(\$248).
- (2) Includes application fees, permits and monitoring charges.
- (3) Oil/Bev/Tire Grants \$28,896/ JPA Reimb Fees \$30,984.
- (4) Other revenue includes septic tank hauling fees, and miscellaneous revenue.

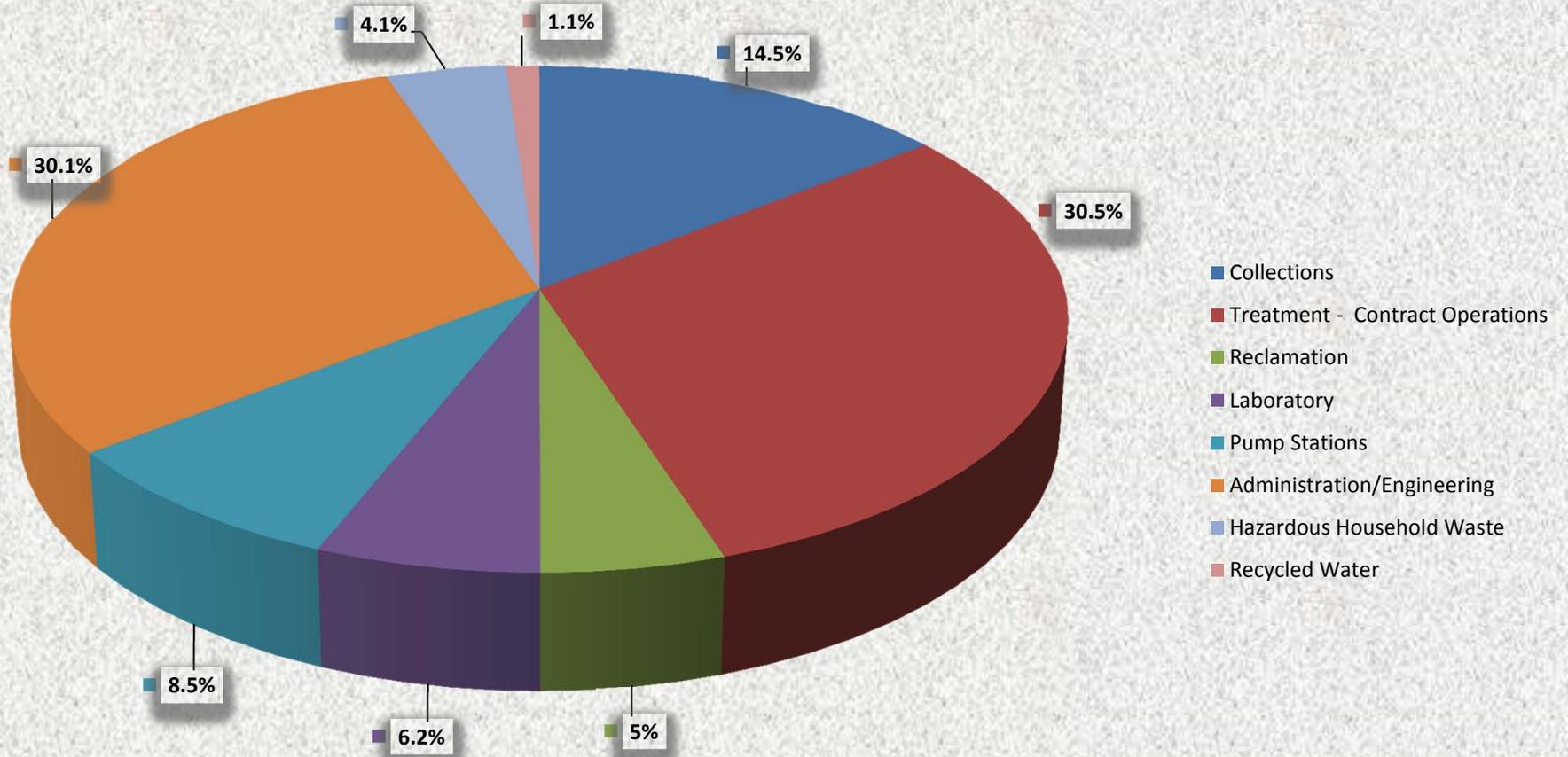
**APPROPRIATIONS LIMITATION**

The appropriations limitation, pursuant to Article XIII B of the California Constitution, will be determined prior to submission of the final budget in August.

**Novato Sanitary District  
2015-17 Preliminary Budget  
Operating Budget - Summary of Expenditures**

Operating Cost Center	Budget 13/14	Budget 14/15	Est Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Collections</b>	1,316,424	1,389,859	1,262,110	1,408,761	1,402,003
<b>Treatment - Contract Operations</b>	2,699,200	2,827,499	2,812,004	2,977,341	3,073,224
<b>Reclamation</b>	534,268	484,649	439,490	492,380	520,839
<b>Laboratory</b>	685,376	593,829	584,229	601,633	632,767
<b>Pump Stations</b>	822,016	807,072	705,799	826,927	872,794
<b>Administration/Engineering</b>	2,766,336	2,818,610	2,405,676	2,941,770	2,990,295
<b>Hazardous Household Waste</b>	371,301	368,698	343,581	402,501	409,787
<b>Recycled Water</b>	108,000	116,000	114,500	111,000	111,000
	9,302,921	9,406,216	8,667,389	9,762,313	10,012,709

### Preliminary Operating Budget 2015-16 Expenditures by Cost Center



Novato Sanitary District 2015-16 Preliminary Operating Budget Operating Budget Detail by Account Category												
	Treatment Facilities	Recl	L-M	Pump Stations	Collection System	A-E	HHW Program	Recycled Water	Total	As Percent of Budget	Over/ Under PY Budget	% Over/ Under PY Budget
Salaries and Wages		75,669		347,650	654,553	1,098,396			2,176,267	22.29%	17,707	0.82%
Contract Services (Operations & Lab)	2,059,201		357,133					50,000	2,466,334	25.26%	458,805	22.85%
Employee Benefits		28,711	0	149,277	272,208	448,115			898,311	9.20%	27,608	3.17%
Retiree Health Benefits						375,260			375,260	3.84%	(20,895)	-5.27%
Directors' Fees						55,000			55,000	0.56%	10,000	22.22%
Election Expense						50,000			50,000	1%	50,000	100.00%
Gasoline, Oil & Fuel		4,000	3,000	5,000	28,000	10,000			50,000	0.51%	-	0.00%
Insurance	12,000					135,000			147,000	1.51%	(81,570)	-35.69%
Ins Claims Expense						40,000			40,000	0.41%	(5,000)	-11.11%
Agency Dues						55,000			55,000	0.56%	(5,000)	-8.33%
Memberships						9,000			9,000	0.09%	500	5.86%
Office Expense						25,000			25,000	0.26%	(4,000)	-13.79%
Safety		500	1,000	2,000	7,000	2,000			12,500	0.13%	6,000	92.31%
Software Maint		2,000	4,000	12,000	25,000				43,000	0.44%	(1,100)	-2.49%
Operating Supplies		2,000	20,000	10,000	30,000	8,000		2,000	72,000	0.74%	(7,500)	-9.43%
Operating Chemicals				15,000				26,000	41,000	0.42%	(23,000)	-35.94%
Sludge Disposal-Contractual		190,000							190,000	1.95%	(10,000)	-5.00%
Accounting & Auditing						24,000			24,000	0.25%	6,000	33.33%
Attorney						90,000			90,000	0.92%	(30,000)	-25.00%
Outside Consulting						270,000			270,000	2.77%	(5,000)	-1.82%
IT/Misc. Electrical						36,000			36,000	0.37%	(4,000)	-10.00%
Safety & Wellness Incentive Program						10,000			10,000	0.10%	10,000	100.00%
Printing & Publication						22,000			22,000	0.23%	-	0.00%
Repairs & Maintenance		70,000	10,500	110,000	85,000	40,000		22,000	337,500	3.46%	(5,000)	-1.46%
Unusual Equipment Maint	150,000	0							150,000	1.54%	-	0.00%
Small Tools		500		1,000	2,000				3,500	0.04%	-	0.00%
Outside Services				32,000	225,000				257,000	2.63%	(58,000)	-18.41%
Ditch/Dike Maintenance		20,000							20,000	0.20%	-	0.00%
Research & Monitoring						163,000			163,000	1.67%	(84,000)	-34.01%
Travel, Migs & Train.						55,000			55,000	0.56%	(15,000)	-21.43%
Pollution Prevention/Pub. Ed.									40,000	0.41%	5,000	14.29%
Gas & Electricity	666,140	90,000	40,000	95,000				10,000	861,140	8.82%	83,740	10.77%
Water		3,000		7,000	12,000				22,000	0.23%	2,000	10.00%
Telephone				24,000	2,000	10,000			36,000	0.37%	(5,000)	-12.20%
Other/Operational Assistance					1,000			1,000	1,000	0.01%	-	0.00%
Permits & Fees	90,000	6,000	3,000	17,000	65,000	69,000		1,000	182,000	1.86%	-	0.00%
Co. Collection Fees						5,000			5,000	0.05%	-	0.00%
Ser. Chg. System Exp							402,501		402,501	4.12%	33,803	9.17%
AB 939 Solid Waste Programs												
Total	2,977,341	492,380	601,633	826,927	1,408,761	2,941,770	402,501	111,000	9,762,313	100.00%	356,098	3.79%

**SECTION III**

**OPERATING BUDGET**  
***By Cost Center and Account Category***

**Novato Sanitary District  
2015-17 Preliminary Budget  
Operating Budget - Collections**

Collections Cost Center - 60000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Accounts</b>					
60010 · Salaries & Wages	549,300	604,357	500,920	654,553	693,853
60020 · Employee Benefits	250,124	262,502	238,190	272,208	284,650
60060 · Gas, Oil & Fuel	30,000	28,000	28,000	28,000	28,000
60085 · Safety	5,000	2,000	2,000	7,000	3,500
60091 · Software Maint	20,000	25,000	25,000	25,000	20,000
60100 · Operating Supplies	30,000	30,000	30,000	30,000	30,000
60150 · Repairs & Maint	85,000	85,000	85,000	85,000	85,000
60152 · Small Tools	2,000	2,000	2,000	2,000	2,000
60153 · Outside Services	225,000	275,000	275,000	225,000	175,000
60192 · Water	7,000	8,000	8,000	12,000	12,000
60193 · Telephone	2,000	2,000	2,000	2,000	2,000
60200 · Other(Garbage Coll)	1,000	1,000	1,000	1,000	1,000
60201 · Permits & Fees	110,000	65,000	65,000	65,000	65,000
	<b>1,316,424</b>	<b>1,389,859</b>	<b>1,262,110</b>	<b>1,408,761</b>	<b>1,402,003</b>

**Novato Sanitary District  
2015-17 Preliminary Budget  
Operating Budget - Treatment Facilities Contract Operations**

Treatment Facilities - Contract Operations Cost Center - 61000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Accounts</b>					
61000-1 · Fixed Fee(1)	1,940,900	1,957,529	1,973,604	2,059,201	2,119,777
61000-2 · Insurance & Bonds	50,600	42,570	11,000	12,000	14,000
61000-3 · Major Repair/Replacement	109,200	150,000	150,000	150,000	150,000
61000-4 · Water/Permits/Phone	65,000	90,000	90,000	90,000	90,000
61000-5 · Gas & Electricity(2)	533,500	587,400	587,400	666,140	699,447
	<b>2,699,200</b>	<b>2,827,499</b>	<b>2,812,004</b>	<b>2,977,341</b>	<b>3,073,224</b>

**Comments:**

(1) Fixed fee - 5% increase from prior year, and an allowance for contractual incentive payment.

(2) Assumes 10% increase for purchased utility power based on actual expenditures for 2014/15, and an allowance for contractual incentive payment with 50-50 sharing of savings from power usage below contract baseline, between District and Veolia.

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Reclamation**

Reclamation Cost Center - 63000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Accounts</b>					
63010 · Salaries & Wages	51,991	60,549	36,042	75,669	85,007
63020 · Employee Benefits	17,277	22,500	16,848	28,711	30,332
63060 · Gasoline & Oil	5,000	4,000	4,000	4,000	4,000
63085 · Safety	1,000	500	500	500	500
63091 · Software Maint	3,000	3,100	3,100	2,000	2,000
63100 · Operating Supplies	3,000	2,500	2,500	2,000	2,500
63115 · Sludge Disposal	190,000	200,000	185,000	190,000	195,000
63150 · Repairs & Maint	60,000	70,000	70,000	70,000	70,000
63151 · Unusual Equipment Maint	60,000	0	0	0	0
63152 · Small Tools	1,000	500	500	500	500
63157 · Ditch/Dike Maint	20,000	20,000	20,000	20,000	20,000
63191 · Gas & Electricity	110,000	90,000	90,000	90,000	100,000
63192 · Water	10,000	5,000	5,000	3,000	5,000
63201 · Permits & Fees	2,000	6,000	6,000	6,000	6,000
	<b>534,268</b>	<b>484,649</b>	<b>439,490</b>	<b>492,380</b>	<b>520,839</b>

**Novato Sanitary District  
2015-17 Preliminary Budget  
Operating Budget - Laboratory**

Laboratory Cost Center - 64000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Accounts</b>					
64010 · Contract Lab Services (1)	217,324	194,138	194,138	357,133	366,767
64020 · Employee Benefits	80,402	72,191	72,191	0	0
64060 · Gasoline & Oil	3,000	3,000	2,000	3,000	3,000
64085 · Safety	1,000	1,000	1,000	1,000	1,000
64091 · Software Maintenance	8,500	4,000	1,000	4,000	4,000
64100 · Operating Supplies	25,000	25,000	20,000	20,000	20,000
64150 · Repairs & Maintenance	10,000	9,500	9,500	10,500	12,000
64160 · Research & Monitoring	297,150	247,000	247,000	163,000	180,000
64170 · Pollution Prev/Public Ed	40,000	35,000	35,000	40,000	43,000
64201 · Permits & Fees	3,000	3,000	2,400	3,000	3,000
	<b>685,376</b>	<b>593,829</b>	<b>584,229</b>	<b>601,633</b>	<b>632,767</b>

**Comments:**

- (1) This account previously titled "Salaries and Wages", is renamed to reflect fees paid for contract laboratory and environmental services provided by Veolia Water and NMWD.

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Pump Stations**

Pump Stations Cost Center - 65000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Accounts</b>					
65010 · Salaries & Wages	315,414	316,295	247,439	347,650	371,290
65020 · Employee Benefits	146,602	137,777	110,360	149,277	156,504
65060 · Gasoline & Oil	5,000	5,000	5,000	5,000	6,000
65085 · Safety	3,000	2,000	2,000	2,000	2,000
65091 · Software Maintenance	12,000	12,000	12,000	12,000	12,000
65100 · Operating Supplies	10,000	10,000	10,000	10,000	10,000
65101 · Operating Chemicals	45,000	30,000	30,000	15,000	15,000
65150 · Repairs & Maintenance	115,000	115,000	115,000	110,000	115,000
65152 · Small Tools	2,000	1,000	1,000	1,000	2,000
65153 · Outside Services, Elect.	45,000	40,000	35,000	32,000	35,000
65191 · Gas & Electricity	90,000	90,000	90,000	95,000	100,000
65192 · Water	5,000	7,000	7,000	7,000	7,000
65193 · Telephone	23,000	24,000	24,000	24,000	24,000
65201 · Permits & Fees	5,000	17,000	17,000	17,000	17,000
	<b>822,016</b>	<b>807,072</b>	<b>705,799</b>	<b>826,927</b>	<b>872,794</b>

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Administration**

Administration and Engineering Cost Center - 66000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Accounts</b>					
66010 · Salaries & Wages	1,007,722	983,222	864,845	1,098,396	1,231,864
66020 · Employee Benefits	402,036	375,733	308,177	448,114	476,150
66021 · Retiree Health Benefits	387,078	396,155	396,155	375,260	383,281
66030 · Director's Fees	45,000	45,000	45,000	55,000	43,000
66040 · Election Expense	0	0	0	50,000	0
66060 · Gasoline & Oil	9,000	10,000	10,000	10,000	11,000
66070 · Insurance	129,000	186,000	120,000	135,000	142,000
66071 · Insurance Claim Expense	45,000	45,000	40,000	40,000	40,000
66075 · Agency Dues	46,000	60,000	46,000	55,000	55,000
66080 · Memberships	8,000	8,500	8,500	9,000	9,500
66085 · Safety	1,000	1,000	1,000	2,000	1,500
66090 · Office Expense	27,000	29,000	29,000	25,000	30,000
66100 · Engineering Supplies	9,000	9,000	9,000	8,000	9,000
66121 · Accounting & Auditing	22,500	18,000	18,000	24,000	28,000
66122 · Attorney Fees	140,000	120,000	50,000	90,000	50,000
66123 · O/S Contractual	235,000	275,000	229,000	270,000	223,000
66124 · IT/Misc Electrical	40,000	40,000	40,000	36,000	40,000
66125 · Safety & Wellness Incentive Prog	0	0	0	10,000	10,000
66130 · Printing & Publications	18,000	22,000	22,000	22,000	22,000
66150 · Repairs & Maintenance	40,000	45,000	42,000	40,000	42,000
66170 · Travel, Meetings & Training	70,000	70,000	50,000	55,000	60,000
66193 · Telephone	15,000	15,000	10,000	10,000	10,000
66202 · County Fees-Property Taxes	33,000	25,000	27,000	27,000	26,000
66203 · County Fees-Sewer Ser Chg	32,000	35,000	35,000	42,000	42,000
66250 · Service Charge Sys Exp	5,000	5,000	5,000	5,000	5,000
	<b>2,766,336</b>	<b>2,818,610</b>	<b>2,405,676</b>	<b>2,941,770</b>	<b>2,990,295</b>

Novato Sanitary District						
Preliminary Operating Budget 2015-17						
PERSONNEL DETAIL						
Number	Position	Dept.	Pay Range	Total		
				2015-16 Salaries	2016-17 Salaries	
1.00	Manager-Engineer.....	A/E			190,764	197,441
1.00	Technical Services Manager.....	A/E	MC119		121,800	151,276
1.00	Field Services Manager .....	.25AE/.25CS/.25PS/.25Rec	MC119		146,160	151,276
1.00	Senior Engineer.....	.75AE/.25PS	MC116.5		129,432	133,962
0.46	Administrative Services Specialist .....	A/E	MC117.5		62,726	64,922
1.00	Administrative Services Officer	A/E	MC115		85,896	124,463
1.00	Administrative Assistant .....	A/E	MC103		43,380	62,858
1.00	Administrative Secretary.....	A/E	MC106		77,520	80,233
1.00	Finance Officer.....	A/E	MC115		114,528	124,463
1.00	Project Specialist .....	.25AE/.25CS/.25PS/.25Rec	MC112.5		68,985	99,959
1.00	Staff Engineer.....	.5A/E/.5CS	47		98,940	102,403
1.00	Construction Inspector.....	A/E	44.5		87,600	90,666
1.00	Information System Specialist II.....	.5A/E/.5CS	43.5		83,424	86,344
1.00	Environmental Services Supervisor...(Note 1)	L/M	MC115.5		-	-
1.00	ECA II...(Note 1)	L/M	45.5		-	-
1.00	Collection System Superintendent.....	.67CS/.33PS	MC115		120,252	124,461
1.00	Collection System Leadworker.....	.67CS/.33PS	47		98,940	102,403
1.00	Collection System Worker III.....	.67CS/.33PS	43.5		83,424	86,344
1.00	Collection System Worker II.....	.67CS/.33PS	40.5		72,072	74,595
5.00	Collection System Worker I.....	.67CS/.33PS	38.5		291,980	317,309
1.00	Admin Intern	A/E	N/A		8,640	9,000
1.00	Engineering Aide - temp	A/E	N/A		10,080	11,000
0.40	Hourly Electrician	.25AE/.25PS/.50Rec	N/A		40,000	40,000
	Allowance for Overtime.....	C/S			35,000	35,000
	Allowance for Overtime.....	A/E			7,500	7,500
	Allowance for Standby Duty Pay.....	C/S			28,000	28,000
	Subtotal				2,107,043	2,305,877
	Allowance for Possible COLA - across the board ....	3.50%			69,224	76,138
					2,176,267	2,382,015
25.86	Administration and Engineering (A/E)			1,098,396		1,231,864
Note 1:	Laboratory and Monitoring (L/M)			-		-
	Collection System	67%		654,553		693,853
	Pump Stations	33%		347,650		371,290
	Reclamation Facilities			75,669		85,007
	Total/Check			2,176,267		2,382,015
Note 1:	Work for these positions now performed through contract services with Veolia Water and NMWD.					

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Hazardous Household Waste**

HHW Cost Center - 67000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Accounts</b>					
67400 · Management Services	119,264	130,161	90,555	131,464	134,750
67500 · Household Hazardous Wst	187,500	164,000	201,500	211,500	214,000
67530 · Used Oil Grant	5,000	11,963	11,013	11,269	11,269
67530-1 Beverage Container Grant	22,537	10,574	11,013	11,268	11,268
67540 · Education/Public Outreach	22,000	37,000	16,000	22,000	23,500
67600 · Other	5,000	5,000	3,500	5,000	5,000
67610 · City AB 939 Admin Service	10,000	10,000	10,000	10,000	10,000
	<b>371,301</b>	<b>368,698</b>	<b>343,581</b>	<b>402,501</b>	<b>409,787</b>

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Operating Budget - Recycled Water**

Recycled Water Cost Center - 68000	Budget 13/14	Budget 14/15	Projected Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
<b>Accounts</b>					
68010 · O & M Services	50,000	50,000	50,000	50,000	50,000
68100 · Operating Supplies	2,000	3,000	2,500	2,000	2,000
68101 · Operating Chemicals	20,000	34,000	26,000	26,000	26,000
68150 · Repairs & Maintenance	25,000	18,000	25,000	22,000	22,000
68191 · Gas & Electricity	10,000	10,000	10,000	10,000	10,000
68201 · Permits & Fees	1,000	1,000	1,000	1,000	1,000
	<b>108,000</b>	<b>116,000</b>	<b>114,500</b>	<b>111,000</b>	<b>111,000</b>

***SECTION IV***

***CAPITAL IMPROVEMENT BUDGET***

**Novato Sanitary District  
2015-17 Preliminary Budget  
Capital Improvement Budget - Revenue Summary**

Capital Fund			Est Rev	Proposed Budget	Preliminary Budget
Revenue Center - 51000	Budget 13/14	Budget 14/15	2014-15	2015-16	2016-17
<b>Accounts</b>					
<b>Capital Improvement Income</b>					
51010 · Sewer Service Charges(1)	6,728,280	7,183,200	7,014,322	7,435,040	7,447,440
51015 · Property Taxes	1,740,000	1,750,000	1,900,000	1,900,000	1,938,000
51020 · Connection Charges(2)	470,000	493,500	200,000	518,000	544,000
51030 · Collector Sewer Charges	2,000	2,000	0	2,000	2,000
51040 · Special Equalization Chrg	4,000	4,000	0	4,000	4,000
51060 · Interest	50,000	30,000	25,000	22,000	22,000
51062 · Grant Revenue	0	0	0	0	0
51070 · Other Revenue	20,000	20,000	20,000	20,000	20,000
<b>Total Capital Improvement Income</b>	<b>9,014,280</b>	<b>9,482,700</b>	<b>9,159,322</b>	<b>9,901,040</b>	<b>9,977,440</b>
<b>Comments:</b>					
<b>(1) Sewer Service Charge (SSC) revenue is based on rate increase approved on June 25, 2012 and actual revenue received in prior year. The Sewer Service Charges allocations are as follows:</b>					
- For 2015/16 the charge is \$552 split between operations(\$304) and capital (\$248).					
- For 2016/17 the charge remains at \$552 split between operations(\$304) and capital(\$248).					
<b>(2) Connection Charges projected on 50 new connections each year.</b>					

**Novato Sanitary District  
2015-2017 Preliminary Budget  
Capital Improvement Budget - CIP Expenditures**

Capital Improvements Cost Centers - 72000 & 73000			Projected Exp 2014-15	Proposed Budget 2015-16	Preliminary Budget 2016-17
	Budget 13/14	Budget 14/15			
<b>Accounts</b>					
72110 · Drainage PS 3&7 Outfall Rehab	150,000	265,000	250,000	5,000	0
72403 · Pump Station Rehabilitation	1,440,000	1,082,185	510,000	50,000	50,000
72508 · North Bay Water Reuse Authority (NBWRA)	150,000	355,000	340,000	403,000	440,000
72609 · WWTP Upgrade - Contract B	100,000	0	45,000	0	0
72611 · Bayside Sewer	3,000	45,000	0	0	0
72612 · Southgate Sewer	1,000	0	0	0	0
72706 · Collection System Improvments	1,730,000	1,600,000	1,476,125	1,050,000	900,000
72706-1 · Lateral Replacement Program	30,000	50,000	18,000	50,000	50,000
72707 · Hamilton Wetlands/Outfall Integration	90,000	36,542	14,000	22,500	0
72708 · Cogeneration	50,000	40,000	0	20,000	20,000
72801 · Annual Minor Projects	0	0	0	0	0
72802 · Annual Sewer Adj. for City Proj	10,000	10,000	10,000	10,000	10,000
72803 · Annual Collection Sys Repairs	275,000	200,000	175,000	200,000	200,000
72804 · Annual Reclamation Fac Improvements	250,000	150,000	75,000	100,000	100,000
72805 · Annual Trtmt Plnt/Pump St Improvements	275,000	200,000	120,000	300,000	200,000
72809 · Novato Creek Watershed	50,000	50,000	50,000	15,000	0
73001 · WWTP Upgrade - Contract C (Solids handling)	2,858,377	461,396	417,000	10,000	0
73002 · WWTP Up-Contract D-Recycled Water	150,000	10,000	3,000	0	0
73003 · Admin Building Upgrade/Maint. Building	400,000	1,000,000	100,000	750,000	1,130,000
73004 · Odor Control and NTP Landscaping	0	0	0	50,000	50,000
73005 · RWF Expansion	0	0	0	150,000	1,200,000
73006 · NTP Corrosion Control	0	0	0	150,000	75,000
73090 · Vehicle Replacement	64,000	180,000	180,000	25,000	25,000
78500 · Interest - SRF/COP Bond	2,730,721	2,621,583	2,621,583	2,509,673	2,385,943
78500 · Principal	4,339,933	4,449,171	4,449,171	4,565,431	4,673,762
<b>Totals</b>	<b>15,147,031</b>	<b>12,805,877</b>	<b>10,853,879</b>	<b>10,435,604</b>	<b>11,509,705</b>

***SECTION V***

***WASTEWATER CAPITAL RESERVE FUND &  
CERTIFICATE OF PARTICIPATION (COP)  
RESERVE FUND***

**Novato Sanitary District  
2015-17 Preliminary Budget  
Wastewater Capital Reserve Fund**

		2015-16 Budget	
		Prelim	Final
<b>Wastewater Capital Reserve Fund</b>			
	<b>FUND BALANCE 6/30/14 . . . . .</b>	3,275,000	3,275,000
	Required Deposits	0	0
	<b>FUND BALANCE 6/30/15 . . . . .</b>	3,275,000	3,275,000
	Required Deposits	0	0
	<b>ANTICIPATED FUND BALANCE 6/30/16 . . . . .</b>	3,275,000	3,275,000
<b>Note:</b>	Per the SRF Loan agreement, the District must deposit sufficient funds to build up the Wastewater Capital Reserve Fund (WCRF) at a minimum rate of 0.5% of the SRF loan amount each year for a period of ten years. The District's unused bonding capacity of \$3,275,000 from the 1970 and 1986 GO Bonds may be used to offset, dollar for dollar, the required cash deposits to the WCRF. The maximum required WCRF balance is \$3,599,654 of which \$3,275,000 is satisfied.		

**Novato Sanitary District  
2014-16 Preliminary Budget  
COP Reserve Fund**

		2015-16 Budget			
		Proposed	Final		
<b><u>Certificates of Participation Reserve Fund</u></b>					
<b>FUND BALANCE 6/30/14 . . . . .</b>		1,686,737	1,686,737		
	Interest Income	5,645	-		
<b>FUND BALANCE 6/30/15 . . . . .</b>		1,692,382	1,686,737		
	Interest Income	1,000	-		
<b>ANTICIPATED FUND BALANCE 6/30/16 . . . . .</b>		1,693,382	1,686,737		
<b>Summary of COP Activity:</b>					
		<b>12/13</b>	<b>13/14</b>	<b>14/15</b>	<b>15/16</b>
	<b>Beginning Balance each year</b>	14,431,619	9,610,463	4,804,012	1,692,382
	<b>Cop Proceeds</b>	-	-	-	-
	<b>Less Withdrawals</b>	(4,859,140)	(4,824,518)	(3,117,275)	-
	<b>Interest earned and Reinvested</b>	37,984	18,067	5,645	1,000
	<b>Cash Balance for COP Expenditures</b>	9,610,463	4,804,012	1,692,382	1,693,382
<b>Note:</b> The Trust Agreement established a reserve fund in October 2011.					
The reserve fund is funded based on the upcoming annual debt service payment which is currently at \$1.6 million, and is held by the Trustee. This amount will be used to make the final payment on the COP and the Reserve Fund will be closed out at that time.					

***SECTION VI***

***DEBT SERVICE FUND SUMMARY***

**Novato Sanitary District  
2015-17 Preliminary Budget  
State Revolving Fund Loan  
and  
COP Bond Fund**

		<b>2015-16 Budget</b>		
		Proposed	Final	
<b><u>State Revolving Fund Loan</u></b>				
<b>DEBT BALANCE 6/30/14</b>		74,366,046		
Principal Payment 2014-15		(3,594,171)		
Interest payments 2014-15		(1,784,785)		
Transfer from Capital Improvement Fund 2014-15		1,784,785		
<b>DEBT BALANCE 6/30/15</b>		70,771,875	0	
Principal Payment 2015-16		(3,680,431)		
Interest payments 2015-16		(1,698,525)		
Transfer from Capital Improvement Fund 2015-16		1,698,525		
<b>ANTICIPATED DEBT BALANCE 6/30/16</b>		67,091,444	0	
<b><u>COP Bond Financing Issued October 2011</u></b>				
<b>DEBT BALANCE 6/30/14</b>		20,120,000	-	
Principal Payment 2014-15		(855,000)		
Interest payments 2014-15		(836,798)		
Transfer from Capital Improvement Fund 2014-15		836,798		
<b>DEBT BALANCE 6/30/15</b>		19,265,000	0	
Principal Payment 2015-16		(885,000)		
Interest payments 2015-16		(811,148)		
Transfer from Capital Improvement Fund 2015-16		811,148		
<b>ANTICIPATED DEBT OWED 6/30/16</b>		18,380,000	0	
		<b>Projected</b>	<b>Preliminary</b>	<b>Preliminary</b>
		<b>Rev/Exp</b>	<b>Budget</b>	<b>Budget</b>
<b>Debt Coverage Ratio(1)</b>	<b>Budget 14/15</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
<b>Net Operating Revenue</b>	195,640	856,465	238,170	9,421
<b>Capital Revenue</b>	9,482,700	9,159,322	9,901,040	9,977,440
<b>Annual Debt Service</b>	7,070,754	7,070,754	7,075,104	7,059,705
<b>Debt Coverage Ratio</b>	1.37	1.42	1.43	1.41
<b>Net revenues covenant requires a 1.20 coverage ratio</b>				
<b>(1)Net Operating Revenue + Capital Revenue/ Annual Debt Service = Debt Coverage Ratio</b>				

**NOVATO SANITARY DISTRICT**  
**LIST OF BOARD COMMITTEE ASSIGNMENTS**  
**Presidential appointment of Committee members for fiscal years 2013-15**  
**(Last Assignment: June 1, 2014)**

**A. Standing Committees:**

1. Joint City/District Solid Waste Committee:  
Jean Mariani  
Gary Butler  
Brant Miller, Alternate
2. Wastewater Operations Committee:  
Brant Miller  
Jerry Peters  
Jean Mariani, Alternate
3. Strategic Planning and New Facilities Committee:  
Gary Butler  
William C. Long  
Brant Miller, Alternate
4. Finance Committee:  
William C. Long  
Jerry Peters  
Gary Butler, Alternate

**B. Regular Committees:**

1. California Association of Sanitation Agencies:  
Jean Mariani, Delegate  
Jerry Peters, Alternate
2. California Sanitation Risk Management Authority:  
Sandeep Karkal, Delegate  
Brant Miller, Alternate
3. North Bay Water Reuse Authority:  
William C. Long, Delegate  
Jerry Peters, Alternate
4. North Bay Watershed Association:  
Brant Miller, Delegate  
Sandeep Karkal, Alternate

**C. Ad Hoc Committee Assignments:**

- |  |   |
|--|---|
| <ol style="list-style-type: none"><li>1. Ad Hoc Labor Relations:<br/>William C. Long<br/>Gary Butler</li><li>3. Ad Hoc Personnel Committee*<br/>Jean Mariani<br/>William C. Long</li></ol> | <ol style="list-style-type: none"><li>2. Ad Hoc Recycled Water Committee<br/>William C. Long<br/>Jean Mariani</li></ol> |
|--|---|

\*(created 3/23/15 for Technical Services Manager position, and 4/13/15 to discuss Manager-Engineer Performance).



**California Special  
Districts Association**  
*Districts Stronger Together*

**CALIFORNIA SPECIAL DISTRICTS ASSOCIATION**  
**2015 BOARD ELECTIONS**  
**MAIL BALLOT INFORMATION**

Dear Member:

A mail ballot has been enclosed for your district's use in voting to elect a representative to the CSDA Board of Directors in your Network for Seat A. Each of CSDA's six (6) networks has three seats on the Board. Each of the candidates is either a board member or management-level employee of a member district located in your network. Each Regular Member (district) in good standing shall be entitled to vote for one (1) director to represent its network.

We have enclosed the candidate information for each candidate who submitted one. Please vote for **only one** candidate to represent your network in Seat A and be sure to sign, date and fill in your member district information. If any part of the ballot is not complete, the ballot will not be valid and will not be counted.

Please utilize the enclosed return envelope to return the completed ballot. Ballots must be received at the CSDA office at 1112 I Street, Suite 200, Sacramento, CA 95814 by **5:00pm on Friday, August 7, 2015**.

If you do not use the enclosed envelope, please mail in your ballot to:

**California Special Districts Association**  
**Attn: 2015 Board Elections**  
**1112 I Street, Suite 200**  
**Sacramento, CA 95814**

Please contact Charlotte Lowe toll-free at 877.924.CSDA or [charlottel@csla.net](mailto:charlottel@csla.net) with any questions.

RECEIVED  
JUN 10 2015

NOVATO SANITARY DISTRICT

## Candidate Statement

Shane McAfee – General Manager, Greater Vallejo Recreation District  
[smcafee@gvrd.org](mailto:smcafee@gvrd.org) 707-648-4603

I am excited about the potential of serving the Special Districts of the State of California. I have managed special districts for over 20 years and feel that I have the back ground, interest, and desire to help make a difference.

Having recently been appointed to serve on the CSDA Board, I hope to be able to continue that service and serve the constituency for a full term. If elected I do my very best to provide the leadership that makes CSDA successful. I will apply my experience, commitment and leadership to be effective, efficient, and responsive to special district needs. Together, through continued advocacy, education, and the value-added services that CSDA provides, we can positively affect all special districts, their operations and service to constituents.

I have the Special District Administrator Certification and I have also completed the CSDA Special District Leadership Academy in Governance Foundations, Setting Direction and Community Leadership, Board's Role in Finance and Fiscal Accountability and Board's Role in Human Resources.

I am very experienced in budgeting, project management, report preparation, public speaking. I believe my dedication to Special Districts makes me an excellent choice to represent local government agencies' interests at CSDA, thanks for considering me to represent you.

Candidate Statement: Call for Nominations Seat A

Date: June 1, 2015

To: California Special Districts Association  
CSDA Elections and Bylaws Committee

From: Bobbi Arleen Palmer, MBA, MSW  
Chief Executive Officer

Los Medanos Community Healthcare District

I currently serve on the Legislative Committee for CSDA and have advocated for all Special Districts for the last 4 years by participating at meetings and actively going to the Capitol and meeting with our legislators. The issues facing special districts are of common interest across the many districts CSDA represents. Whether water, park, sanitary or health, "Districts are Stronger Together."

I also currently serve on the Fiscal Committee for CSDA and have provided financial oversight while advocating for the membership.

I have taken the time to become informed about the issues facing all Districts and voted accordingly. I have established strong relationships with Legislators and have visited them at both their home offices as well as the State Capitol. I thoroughly understand the need for both local and state engagement.

I was asked to moderate last year's Workforce Panel discussion at Legislative Days and enjoyed the positive comments associated with participating with my colleagues. I have attended both Legislative Days since becoming a member as well as the Annual conferences. In 2013 and 2014 Los Medanos Community Healthcare won the "Exceptional Advocacy Award and the "Innovation Award of Excellence." We look forward to applying for 2015.

If selected as CSDA Board of Directors representing the Bay Area Network (Seat A) I will continue to participate in policy development of legislative issues and all policy decisions affecting CSDA's member services. I am asking for your vote of confidence.

I would be honored to serve as a CSDA Board of Director as a governing member responsible for serving your interests.

Thank You,

Bobbi Palmer

## CANDIDATE STATEMENT

I retired from the U.S. Postal Service as a Senior Executive in 1999.

My wife and I live on a small ranch in Solano County and raise sheep and chickens. My involvement with the Solano Resource Conservation District (SRCD) has encompassed 18 years of volunteer commitment. I served as Chairman of the long-standing Solano County Wildlife Committee and as Vice Chair of the SRCD. The SRCD is very successful and leads the way in conservation services in the county.

If elected to the CSDA board, I would work with other board directors, and promote conservation efforts and actions throughout California. The CSDA can be helpful in making all Districts successful.

Terry Riddle  
3479 Pleasants Trall  
Vacaville, CA 95688-9793  
(707) 448-3311

# Upfront: A call for shared sacrifice

All Towns Local News Upfront Jun 8, 2015

## Marin asked to join wider community in conserving water



*State-mandated water conservation comes as an attempt to meet challenges of severe drought outside of Marin.*

*by Peter Seidman*

The state-mandated water conservation that began this week asks Marin residents to reduce their water use, even though the reduction will not do much to help the statewide water picture. Call it a mandate for Marin to accept its place as a member of the California community of counties. Call it a request for shared sacrifice.

How that call will play in a county that's been highly resistant to participating on a wider stage regarding issues ranging from affordable housing to water use remains to be seen. The mandatory conservation began Monday. It recalls—or should recall—the failed attempt in the county to build a

desalination project that could insulate Marin from drought. It also recalls—or should recall—the adamant refusal to accept the idea of a proposal to possibly construct a pipeline from the East Bay that could provide Marin with emergency water in the event of a severe drought.

The state-mandated conservation is part of the governor's attempt to meet the challenges of the severe drought in other parts of the state. Marin has been lucky and has escaped drought conditions. The Marin Municipal Water District (MMWD) serves about 186,000 customers in Southern and Central Marin. The North Marin Water District serves about 61,000 customers in Novato and West Marin.

The North Marin District, which receives the bulk of its water supply from the Russian River and reservoirs, must reduce its water use by 24 percent. The MMWD must cut back 20 percent.

Dan Carney, MMWD conservation manager, says that the State Water Resources Control Board arrived at the cutback targets by calculating the average per capita consumption using 2013 as a baseline. The average state-mandated cutback is 25 percent. The range of reductions that the state is requiring runs from 8 percent to 36 percent.

The MMWD receives about 75 percent of its water from reservoirs in Marin. It receives about 25 percent from the Russian River under a contract with the Sonoma County Water Agency.

The MMWD is in large part—actually 75 percent—insulated from drought conditions that could affect the delivery system in the rest of the state. Even so, the state requires Marin to show good faith as a member of the California water use community by following the 20-percent-reduction mandate even though Marin reservoirs are at about an average level.

Residents of the MMWD have already demonstrated an exceptional ability to conserve. Many district residents were around for the “Great Drought” in the 1970s. Putting bricks in toilets became a way of life—a way to reduce water consumption before low-flow toilets. Residents stopped washing their cars and watering their lawns. Short showers were de rigueur.

The water-reduction measures worked. Still, a pipeline across the Richmond/San Rafael Bridge, in large part, saved the day and reminded district residents that Marin reservoirs are vulnerable to severe drought conditions. According to a district Urban Water Management Plan report, a periodically prepared document sent to the state, “The district's programs for demand management through water conservation began in 1971, and a study in 1999 found that the per capita demand [had] been reduced by an estimated 25 percent during the period from 1970 to 1998.”

The state-mandated reduction will be assessed based on consumption from June of 2015 to February of 2016. The cumulative total reduction must meet the 20 percent target in MMWD and 25 percent statewide.

Meeting the target should be fairly easy for MMWD customers. Using 2013 as a baseline, customers in the district had already reached a 13.5-percent-conservation target in 2014. The historic lack of rain in 2013 helped spur the reduction. Residents of the MMWD need to reduce their consumption by just 6.5 percent more to reach the state target. To customers who already follow good conservation procedures, Carney says, “Thank you. I’m not asking for anything more.”

Carney says that meeting the state target, even though Marin reservoirs are in good shape, is a benefit to the district and the county. “Whether it’s a state order or people recognizing that it’s possible to increase conservation, it’s a good thing for Marin to raise conservation awareness.” Carney notes that even with a normal amount of water in the reservoirs and a normal amount of rainfall in winter months, MMWD still has only a two-year supply of water in MMWD reservoirs.

Running a pipeline from the East Bay similar to the one in the 1970s was a topic of discussion when the district once again considered the possibility of augmenting the water supply in the county if another severe drought hits the North Bay. The proposal to just investigate the possibility triggered strong opposition that resulted in the idea getting put back on the shelf. Chief among the objections was the unsubstantiated charge that bringing more water to Marin would bow to big-time developers slaving for an increased water supply. The argument was an intrinsic rejection of the planning process and a declaration of no faith in planners and elected officials. The debate about water supply entrapped the discussion about affordable housing and how much support the county should give it.

A similar objection was raised when a proposal for a desalination project was the topic of the day. Consultants submitted a report stating that desalination would work as a drought-proof water source for district customers. A report outlined four options that the water district could pursue. As with most public works projects, the initial cost estimates—including facilities ranging from \$111.2 million to \$173.4 million to build—grew as time went by, but the MMWD manager at the time said considering inflation, the costs were within an expected range.

There’s no doubt that desalinating water is a relatively expensive proposition, although costs are coming down as the technology improves. Creating a small plant that could be expanded was meant to address the cost issue. Critics also raised the possibility that desalination would harm the environment in the bay. But a close look at the environmental studies for the project showed few, if any, truly negative effects. A plan to take brine after desalinating the water, and pump the brine to a waste treatment facility in Central Marin meant that the salinity of bay water actually could improve because of the desalination process. Adding brine to the fresh water from the treatment facility would bring the water closer to the salinity level of the bay. The essential takeaway was that not all desalination plants are the same. Each one needs to be assessed based on its proposed procedures.

Another objection centered on energy use. Desalination takes power. Critics soundly rejected the idea that the desalination plant could combine with a solar facility either here or elsewhere in the state to produce clean-power sweet water.

But it was a philosophical rejection of desalination and also of a pipeline that created the strongest pushback to the idea that Southern and Central Marin need an increased water supply. Evidence of that position came with the caution among critics that increasing Marin's water supply would mean that water could be exported out of the county. Water in a pipeline can flow both ways, critics charged.

Critics succeeded in forcing the district to go to voters for approval of a desalination plant, if and when the district decides to proceed with desalination.

That, in turn, raises the question of whether Marin residents in general, and MMWD residents in particular, see themselves as participating members of a wider community and would, as a matter of social service, be willing to contribute to the wider community's water supply well-being.

The good news is that MMWD customers should be able to meet the additional 6.5-percent-conservation target—and make additional conservation gains through simple actions like shutting off faucets and following mandatory lawn-watering restrictions. Conservation rules and tips abound on the websites of the two Marin water agencies.

The bad news is that even with Draconian conservation measures, MMWD customers face the prospect of a water deficit when the next multi-year drought hits.

Contact the writer at [peter@pseidman.com](mailto:peter@pseidman.com).